ROUTLEDGE HANDBOOKS



Routledge Handbook of EU Copyright Law

Edited by Eleonora Rosati

THE ROUTLEDGE HANDBOOK OF EU COPYRIGHT LAW

The *Routledge Handbook of EU Copyright Law* provides a definitive survey of copyright harmonization in the European Union, capturing the essential and relevant issues of this relatively recent phenomenon. Over the past few years, two themes have emerged: on the one hand, copyright policy and legislative initiatives have intensified; on the other hand, the large number of references to the Court of Justice of the European Union has substantially shaped the EU copyright framework and, with it, the copyright framework of individual EU Member States.

This handbook is a detailed reference source of original contributions which analyze and critically evaluate the state of EU copyright law with a view to detecting the key trends and patterns in the evolution of EU copyright, weighing the benefits and disadvantages of such evolution. It covers a broad range of topics through clusters focused on: the history and approaches to EU copyright harmonization; harmonization in the areas of exclusive rights, exceptions and limitations, and enforcement; copyright policy and legacy of harmonization.

With contributions from a selection of highly regarded and leading scholars in this field, the *Routledge Handbook on European Copyright Law* is an essential resource for students and scholars who are interested in the field of copyright law.

Eleonora Rosati is Professor of Intellectual Property Law and Director of the Institute for Intellectual Property and Market Law (IFIM) at Stockholm University, Guest Professor at CEIPI-University of Strasbourg, Research Associate at EDHEC Business School, Associate of CIPIL-University of Cambridge (UK), and Of Counsel at Bird & Bird.



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

THE ROUTLEDGE HANDBOOK OF EU COPYRIGHT LAW

Edited by Eleonora Rosati

Routledge
Taylor & Francis Group
LONDON AND NEW YORK

First published 2021
by Routledge
2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

and by Routledge
52 Vanderbilt Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

© 2021 selection and editorial matter, Eleonora Rosati; individual chapters, the contributors

The right of Eleonora Rosati to be identified as the author of the editorial material, and of the authors for their individual chapters, has been asserted in accordance with sections 77 and 78 of the Copyright, Designs and Patents Act 1988.

All rights reserved. No part of this book may be reprinted or reproduced or utilised in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

Trademark notice: Product or corporate names may be trademarks or registered trademarks, and are used only for identification and explanation without intent to infringe.

British Library Cataloguing-in-Publication Data
A catalogue record for this book is available from the British Library

Library of Congress Cataloging-in-Publication Data
A catalog record has been requested for this book

ISBN: 978-0-367-43696-4 (hbk)
ISBN: 978-0-367-74154-9 (pbk)
ISBN: 978-1-003-15627-7 (ebk)

Typeset in Bembo
by codeMantra

CONTENTS

List of Contributors *viii*
Preface: 30 years of EU copyright law *xi*
Eleonora Rosati
Acknowledgments and hope *xiv*

Section I
The law and policy of the EU copyright harmonization project **1**

1 The competence and rationale of EU copyright harmonization 3
Ana Ramalho

2 Fundamental rights in EU copyright law: an overview 18
Tito Rendas

3 The desirability of unification of European copyright law 39
Tatiana-Eleni Synodinou

Section II
Copyright and related rights: when does and should protection arise? **61**

4 The authorial works protectable by copyright 63
Justine Pila

5 The *Cofemel* revolution – originality, equality and neutrality 82
Marianne Levin

6 The new related right for press publishers: what way forward? 101
Silvia Scalzini

Section III
The scope of exclusive rights and liability for the doing of unauthorized acts **121**

7 The right of reproduction 123
Caterina Sganga

8 The distribution right and its exhaustion 151
Ole-Andreas Rognstad

9 The EU right of communication to the public – still looking for a good link 173
Justin Koo

10 Primary and accessory liability in EU copyright law 193
Christina Angelopoulos

11 Proving copyright protection and infringement: lessons from the CJEU 215
Julien Cabay

Section IV
The state of copyright exceptions and limitations **245**

12 The quotation exception under EU copyright law: paving the way for user rights 247
Stavroula Karapapa

13 Exceptions as users' rights? 263
Maurizio Borghi

14 On the wax or wane? The influence of fundamental rights in shaping exceptions and limitations 281
Sabine Jacques

15 Artificial intelligence and text and data mining: a copyright carol 299
Alain Strowel and Rossana Ducato

16 The treatment of humor in US copyright law with a comparative glance at the EU 317
Bill Patry

17 The nature and content of the three-step test in EU copyright law: a reappraisal 338
Daniël Jongsma

Section V
Copyright enforcement: the technological and cross-border dimensions **355**

18 Website blocking under EU copyright law 357
Jan Bernd Nordemann

19 Location, location, location! Copyright content moderation at non-content layers 378
Sebastian Felix Schwemer

20 Jurisdiction and choice of law in online copyright cases 396
Lydia Lundstedt

21 Enforcement of European rights on a global scale 413
Giancarlo Frosio

Section VI
The Court of Justice of the European Union **441**

22 The multifaceted influence of the Advocates General on the Court of Justice's copyright case law: legal secretaries, literature and language 443
Estelle Derclaye

23 Rationales and litigation strategy of the French government before the CJEU in copyright cases 472
Daniel Segoin

24 Reading tea leaves differently? A comparison of the interpretive fingerprint of the CJEU and the US Supreme Court in copyright law 486
Frederic Blockx

Index *529*

CONTRIBUTORS

Christina Angelopoulos is Lecturer at the Centre for Intellectual Property and Information Law (CIPIL), at the University of Cambridge.

Frederic Blockx is Judge in the Commercial Court of Antwerp and Fellow of the University of Antwerp, Law School and Université Libre de Bruxelles Law School.

Maurizio Borghi is Professor of Law at CIPPM/Jean Monnet Centre of Excellence for European Intellectual Property and Information Rights, Bournemouth University.

Julien Cabay is Associate Professor at Université Libre de Bruxelles, Associate Professor at Université de Liège and Guest Professor at KULeuven.

Estelle Derclaye is Professor of Intellectual Property Law at the University of Nottingham.

Rossana Ducato is Lecturer in IT Law and Regulation at the University of Aberdeen, School of Law.

Giancarlo Frosio is Associate Professor at the Center for International Intellectual Property Studies (CEIPI) at the University of Strasbourg, Non-Resident Fellow at Stanford Law School Center for Internet and Society, and Associate Faculty at the NEXA Center for Internet and Society.

Sabine Jacques is Associate Professor at the University of East Anglia, Law School, Research Member of the Centre for Competition Policy, and Visiting Lecturer at the University of Maastricht.

Daniël Jongsma is Postdoctoral Researcher at Hanken School of Economics.

Stavroula Karapapa is Professor of Intellectual Property and Information Law at the University of Essex.

Justin Koo is Lecturer in Law at The University of the West Indies, St Augustine Campus.

Marianne Levin is Senior Professor at Stockholm University and Chair of the Swedish Association for the Protection of Intellectual Property Rights.

Lydia Lundstedt is Senior Lecturer in Private International Law at Stockholm University (Law Department) and Senior Lecturer in Intellectual Property Law at Linköping University (Commercial and Business Law Division, Department of Management and Engineering).

Jan Bernd Nordemann is Certified Attorney for intellectual property and Certified Attorney for copyright and media law, Partner at NORDEMANN in Berlin, and Honorary Professor at Humboldt University in Berlin.

Bill Patry is the author of *Patry on Copyright* and *Patry on Fair Use* and Senior Copyright Counsel at Google.

Justine Pila is Professor of Law, Research Fellow at the Oxford Institute of European and Comparative Law, and co-Chair of the HeLEX (Health, Law and Emerging Technologies) Research Group in the Faculty of Law at the University of Oxford.

Ana Ramalho is Copyright Counsel at Google in Amsterdam and Guest Assistant Professor at Leiden University.

Tito Rendas is Professor at Universidade Católica Portuguesa in Lisbon and Of Counsel at CCA Law Firm.

Ole-Andreas Rognstad is Full Professor affiliated with the Department of Private Law and Centre for European Law, University of Oslo, and member of the European Copyright Society, the Academia Europaea, and the Norwegian Scientific Academy.

Eleonora Rosati is Professor of Intellectual Property Law and Director of the Institute for Intellectual Property and Market Law (IFIM) at Stockholm University, Guest Professor at CEIPI-University of Strasbourg, Research Associate at EDHEC Business School, Associate of CIPIL-University of Cambridge (UK), and Of Counsel at Bird & Bird.

Silvia Scalzini is Postdoctoral Researcher and Adjunct Professor in Intellectual Property Law at Luiss University.

Sebastian Felix Schwemer is Associate Professor at the Centre for Information and Innovation Law (CIIR), University of Copenhagen, and Adjunct Associate Professor at the Norwegian Research Center for Computers and Law (NRCCL), University of Oslo.

Daniel Segoin is Legal Counsel at the European Central Bank in Frankfurt and former Legal Counsel and French Agent to the CJEU, in charge of intellectual property litigation.

Caterina Sganga is Associate Professor of Comparative Private Law at Scuola Superiore Sant'Anna.

Alain Strowel is Professor at UCLouvain, Université Sain-Louis – Brussels, KULeuven, and Munich IP Centre.

Tatiana-Eleni Synodinou is Associate Professor of Private and Commercial law at the Law Department of the University of Cyprus, Founder and Chair of the Cypriot branch of ALAI, and member of the European Copyright Society.

PREFACE

30 years of EU copyright law

Eleonora Rosati

The discourse around the European Union (EU) harmonization project began in the late 1980s. This year marks the thirtieth anniversary since the adoption of the first copyright directive (the first Software Directive)[1] and the twentieth anniversary since the adoption of the seminal InfoSoc Directive.[2] What better way to celebrate, then, than through a *Handbook of EU Copyright Law* that proposes different perspectives and reflections on an overall process, which has progressively led to both an increasingly rich, heterogeneous, and complex EU copyright legislative framework (with occasional suggestions of full harmonization) and a plethora (more than one hundred) of equally rich, heterogeneous, and complex decisions issued by the Court of Justice of the European Union (CJEU)?

EU copyright over time: themes and challenges

The EU has legislated in the copyright field by justifying its own interventions by *mostly* referring to an internal market rationale. Whilst the internal market lens helps understand many things, it does not help understand everything. Over time, additional rationales have emerged for EU copyright harmonization, including ensuring the competitiveness of the EU *vis-á-vis* third countries and remedying imbalances (value gaps) in the marketplace for copyright content and related services. The latter have been particularly visible in the process that eventually culminated in the adoption of what remains – until today – the latest addition to the EU copyright *acquis*: the 2019 Directive on copyright in the Digital Single Market.[3]

In parallel to legislative intervention, the objective difficulty of putting some flesh on the bones of rather thin legislative provisions, alongside the challenges posed by copyright's natural companion – that is, technological advancement – have led courts across

1 Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, OJ L 122, 17.5.1991, p. 42–46.

2 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, p. 10–19.

3 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, p. 92–125.

the EU to make several referrals for a preliminary ruling to the CJEU. The CJEU, often aided by its Advocates General, has built a substantial and overall coherent body of case law. This has been so also thanks to the constant dialogue with national courts, which has prompted the EU Court to refine progressively the meaning of its earlier case law and the concepts employed therein. Of course, in some notable instances the Court has not limited itself to interpreting EU legislation, but has rather pushed the boundaries of harmonization further than what the text of legislation and – arguably – the intention of EU legislature had envisaged. In so doing, it has proved to be not just an active Court but also an activist one.

The result has been, on the one hand, an increasing uniformity across the EU Member States' copyright laws, including with regard to the subject-matter and scope of protection. On the other hand, it has also meant that legislative interventions have increasingly had to confront an existing body of case law and enter into a dialogue with it, the need and intention of all this being to either 'codify' or rather remedy such case law.

In addition, over the past few years – *at least* since the adoption of the Lisbon Reform Treaty in 2007, which made the EU Charter of Fundamental Rights a primary source of EU law, on the same level as the Treaties – the EU copyright framework has been increasingly appreciated under a fundamental rights lens. Intellectual property, and thus also copyright, is protected within the right to property (Article 17). However, such protection is not absolute, and it must be fairly balanced against other fundamental right and freedoms, including freedom of expression/information, right to private life, and freedom to conduct a business. The requirement of a 'fair balance' is enshrined in EU copyright legislation and has been referred to in CJEU case law with increasing frequency.

This collection

This *Handbook* hosts different voices that explore the themes outlined above in detail. It does so thanks to the various and diverse perspectives and approaches that the Contributors have chosen to adopt.

Section I is devoted to the law and policy of the EU copyright harmonization project and discusses the competence and rationale of harmonization (Chapter 1), the role of fundamental rights in the EU copyright discourse (Chapter 2), and the possibility and desirability of full harmonization (Chapter 3).

Section II focuses on the requirements for copyright protection, as shaped both through legislation and – more significantly – CJEU case law, and related rights. More specifically, Chapter 4 provides an in-depth analysis of the notion and features of the subject-matter of copyright protection, i.e. 'works'. Chapter 5 reflects on the notion of originality, the interface between copyright and design protection, and the freedom enjoyed by Member States. Chapter 6 provides a discussion of the rationale, requirements, and limits of the EU press publishers' right, as introduced in 2019.

Section III addresses the scope of exclusive rights and liability for the doing of acts restricted by copyright without authorization. Chapters 7, 8, and 9 are devoted to the three rights that have been harmonized horizontally at the EU level: reproduction, distribution (and its exhaustion), and communication/making available to the public. Chapter 10 considers the interplay (and potential merging) between (harmonized) primary/direct and (formally unharmonized) secondary/indirect/accessory liability for copyright infringement. Chapter 11 addresses the question of how copyright infringement is to be proved under EU law.

Section IV is dedicated to the state of copyright exceptions and limitations. The analysis focuses, first, on the quotation 'right' under EU copyright law (Chapter 12) to, then, move on to consider the possible characterization of exceptions and limitations as users' rights (Chapter 13) and the influence of fundamental rights in this area of copyright (Chapter 14). Chapter 15 tackles the relevance of exceptions and limitations to technological advancement, by discussing the interplay between the EU text and data mining exceptions and the development of machine learning and Artificial Intelligence in Europe. Chapter 16 offers a comparative analysis of the treatment of parody in the USA and in the EU. Chapter 17 concludes with a re-assessment of the EU three-step test and its role.

Section V is devoted to copyright enforcement, notably the technological and cross-border dimensions thereof. Chapters 18 and 19 discuss website-blocking orders and the different types of blocking available, and reflect on the challenges of balancing rights and interests fairly and effectively. Chapter 20 and 21 address private international issues: whilst the former discusses jurisdiction and choice of law from a European perspective, the latter considers the feasibility of global enforcement of copyright, drawing from developments in other legal fields.

Section VI, finally, is concerned specifically with the CJEU and its protagonists. Chapter 22 discusses, in particular, the role that Advocates General (and legal secretaries) have had in shaping EU copyright. Chapter 23 provides the perspective of a Member State (France) when intervening in CJEU proceedings. Chapter 24 provides a comparison between the *topoi* used by the CJEU and the US Supreme Court in copyright cases.

ACKNOWLEDGMENTS AND HOPE

My sincere thanks go to all the Contributors who have accepted my invitation to contribute to this *Handbook* and have done so by devoting their time, energy, and enthusiasm to this project, whilst also facing the difficulties that the world, families, and individuals alike have had to endure in the course of the COVID-19 pandemic.

I have learned from and thoroughly enjoyed reading all chapters in this collection. My hope is that also the readers will find this collection stimulating, enjoyable, and useful to foster their interest in and knowledge of matters of copyright law, from an EU perspective.

SECTION I

The law and policy of the EU copyright harmonization project



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

1

THE COMPETENCE AND RATIONALE OF EU COPYRIGHT HARMONIZATION

Ana Ramalho[*]

Abstract

This chapter analyzes the competence of the EU to legislate in the field of copyright and explores how that competence has been expanded through the action of specific EU institutions. For that purpose, the first part of the chapter reviews the formal legal bases that allow the EU to legislate in the field of copyright, all of which are, to a greater or lesser extent, related to the need to build an internal market for goods and services. This section briefly explains some of the shortcomings of having internal market needs as a basis and rationale to regulate copyright. The second part of the chapter conceptualizes expansions of competence operated by two EU institutions: the European Commission and the Court of Justice of the European Union. It will be shown how these two institutions have contributed to an enlargement of EU action in the field of copyright, and how they have substantively influenced the content of that action.

Contents

Abstract 3
Introduction 4
Review of EU competence 4
Expansions of competence 8
EU Commission 8
Gold plating 8
Commission's guidelines 10
Court of Justice of the EU 11
Conclusion 15
References 16

[*] The views expressed here are the author's personal views and should in no way be attributed to Google. No part of this research was funded directly or indirectly by Google, Alphabet, or any related entity.

Introduction

An analysis of the competence of the EU usually entails examining law-making bases and rationales. This is a relevant endeavor; law-making does not exist in a vacuum and has to be based on higher sources of law. Legal bases and legal competences lend legitimacy to EU copyright law.

However, this view of EU competence – of which I have been guilty myself – is in a way narrow, or at least it is not the only angle worth exploring. While it is important to establish what the formal bases for EU action are, it is time now to look more broadly at how the EU institutions, together, have advanced the EU's actions in the field of copyright and eventually expanded the initial powers of the EU in that area.

For that purpose, I first undertake a review of the EU competence in copyright, recalling the legal bases used in copyright law-making and (some of) their shortcomings. In this section, I also bring to light a couple of examples of legal flexibility left for EU Member States, namely through the balance between minimum and maximum harmonization, and Treaty derogation clauses. The following section conceptualizes expansions of competence by two specific EU institutions, the EU Commission and the Court of Justice of the EU (CJEU). There, I explore how both institutions have, in their own way, taken the copyright bull by its horns and contributed to a growing copyright *acquis*, in parallel to more traditional methods of law-making. In the final section, I present some conclusions.

Review of EU competence

Following the principle of conferral in Article 5(2) of the Treaty on the European Union (TEU),[1] the EU may legislate whenever the Treaties empower it to act, in order to achieve the objectives set therein. The main legal basis for the EU to harmonize the field of copyright has been Article 114 of the Treaty on the Functioning of the European Union (TFEU),[2] according to which the European Parliament and the Council may adopt measures for the approximation of national laws, where such measures have as their object the establishment and functioning of the internal market. The legislative measures must, as a rule, be proposed by the European Commission.[3]

The EU legislature has used Article 114 TFEU on the premise that different national copyright laws constitute an obstacle to cross-border trade, i.e., to the establishment and functioning of the internal market. Before the first Directive in the field of copyright was enacted – the Computer Programs Directive, dating back to 1991[4] – national copyright laws differed from one another in such fundamental aspects as the type or scope of rights granted. So, for instance, a difference in the term of protection of works could mean that the distribution of a good (say, a book) could be freely carried out in one EU country, but would depend on the authorization of the rightholder in another where copyright protection had not yet expired.[5] In that sense, the establishment and

1 Treaty on European Union, OJ C 326, 26.10.2012, pp. 13–390.

2 Treaty on the Functioning of the European Union, OJ C 326, 26.10.2012, pp. 47–390.

3 Article 17(2) TEU.

4 Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, OJ L122, 17.5.1991, pp. 42–46, which has later been codified in Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009, OJ L 111, 5.5.2009, pp. 16–22.

5 Meanwhile the term of protection in the EU has been harmonized through Council Directive 93/98/EEC of 29 October 1993 harmonizing the term of protection of copyright and certain related rights, OJ L 290, 24.11.1993, pp. 9–13, later codified in Directive 2006/116/EEC of the European Parliament and of the

functioning of the internal market is an adequate rationale for the EU harmonization of copyright.

As I have argued elsewhere, however, Article 114 TFEU is devoid of normative character.[6] The norm does not give any guidance as to the substantive content of harmonizing measures; the Treaties grant the EU the powers to legislate in order to achieve an objective (the establishment and functioning of the internal market), but leave the substantive choices to the legislator's discretion.[7] To continue with the example of the term of protection, Article 114 TFEU grants the EU the competence to harmonize the term of protection across the Member States, but it does not give any indication as to what the harmonized term should be.[8]

The CJEU has ruled that Article 114 TFEU will be a valid legal basis where the legislative measure in question has as a genuine goal the establishment or functioning of the internal market, which will happen if obstacles to cross-border trade exist or are likely to occur, and the measure is designed to prevent them.[9] The measure may have impact on other fields or pursue other aims, so long as its main goal is in fact the establishment or functioning of the internal market.[10] Arguably, this will be the case where different national laws provide (or are likely to provide) for different levels of protection, and/or where cross-border trade represents a relatively large part of the market concerned.[11]

To date, the Court has not ruled on what the concrete normative content of Article 114 TFEU ought to be in the field of copyright. However, it is possible to infuse normative content into Article 114 TFEU by resorting to the Treaties, fundamental rights and general principles of law (including the ones developed by the CJEU).[12]

Other legal bases that have been used by the EU legislature are Articles 53(1) and 62 TFEU – the facilitation of the taking-up and pursuit of activities of self-employed persons in relation to the right of establishment and the freedom to provide services, respectively. These norms were traditionally ancillary legal bases, but have been used recently on the same footing as Article 114 TFEU (namely, in the Directive on copyright in the digital single market, or "DSM Directive"[13]). Yet, the freedoms that these legal bases concern – free movement of persons and free movement of services – are part of the broader notion of "internal market."

Council of 12 December 2006, OJ L 372, 27.12.2006, pp. 12–18, and amended by Directive 2011/77/EU of the European Parliament and of the Council of 27 September 2011, OJ L 265, 11.10.2011, pp. 1–5.

6 A. Ramalho, *The Competence of the European Union in Copyright Lawmaking* (Switzerland: Springer, 2016).

7 This is why Article 114 TFEU is also called a functional competence: see J de la Quadra-Salcedo, *El sistema europeo de distribución de competencias* (Madrid: Thomson Civitas, 2006), p. 68 ff.

8 In the end, it was proposed to harmonize the term of protection at one of the highest thresholds existing in the Member States – 70 years after the death of the author – because a shorter term of protection would require long transition periods (to take due account of established rights) and would therefore delay the harmonization effect – cf. Explanatory Memorandum to the Term of Protection Proposal, COM (92) 33 final, 23 March 1992, paras. 33–38.

9 Case C-155/91, *Commission v. Council*, ECLI:EU:C:1993:98, para. 19; case C-350/92, *Spain v. Council*, ECLI:EU:C:1995:237, para. 35; Case C-376/98, *Tobacco Advertising I*, ECLI:EU:C:2000:544, paras. 84–86; case C-491/01, *British American Tobacco*, ECLI:EU:C:2002:741, para. 61; case C-210/03, *Swedish Match*, ECLI:EU:C:2004:802, para. 30; case C-380/03, *Tobacco Advertising II*, ECLI:EU:C:2006:772, para. 41.

10 *Tobacco Advertising I*, para. 78; joined cases C-465/00. C-138/01 & C-139/01, *Österreichischer Rundfunk*, ECLI:EU:C:2003:294, para. 41.

11 A. Ramalho, "Beyond the Cover Story – An Enquiry into the EU Competence to Introduce a Right for Publishers", *International Review of Intellectual Property and Competition Law* 2017, 48(1), 71–91, p. 75.

12 A. Ramalho, *The Competence of the European Union in Copyright Lawmaking.*

13 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125.

Therefore, it can be argued that internal market considerations in the context of Article 114 TFEU apply, *mutatis mutandis,* to them. Or, to put it differently, internal market goals remain central legal bases for the EU to act in the field of copyright.

Following the Treaty of Lisbon,[14] the TFEU contains a specific competence norm in the field of intellectual property. Article 118 TFEU grants the EU legislative powers to create EU-wide intellectual property rights and could be a valid legal basis to create a European copyright title,[15] valid in all Member States (similarly to the existing European trade mark[16] or the Community design[17]). Article 118 TFEU was drawn from a provision in the previous version of the European Treaties, the so-called "flexibility clause" (which was then Article 308 and corresponds now to Article 352 TFEU). Article 308 was the competence norm in which the creation of a European trade mark and a Community design was based; however, nowadays, it is doubtful that its equivalent, Article 352 TFEU, can be used to introduce any pan-European intellectual property right, since there is now a specific norm in the Treaties for that.[18] The competence granted by Article 118 TFEU is also based on internal market goals, since any future EU intellectual property right will have to be created "in the context of the establishment and functioning of the internal market."[19] The case law on Article 114 TFEU – namely, regarding the need for internal market goals to be the genuine objectives of a given measure – is therefore applicable in the context of Article 118 TFEU.

The copyright *acquis* is not entirely composed of legislative measures where the fulfilment of internal market goals is the main purpose. One example of this is Directive 2011/77/EU, also called the Term Extension Directive.[20] Before this Directive, the term of protection for performers and producers of phonograms was 50 years: a duration already consolidated through Directive 2006/116/EC.[21] Among other things, Directive 2011/77/EU operates an extension of the term of protection to 70 years after the relevant event, for fixation of performances and for phonograms. Most of the term of protection issues that Directive 2011/77/EU deals with were already harmonized (with the exception of the term of protection for co-written musical compositions with words, which is now enshrined in Article 1 paragraph 7 of Directive 2011/77/EU). Thus, it is debatable whether there was any internal market justification for the term extension, even though the legal bases used to pass the Directive are internal market related (Articles 53(1), 62 and 114 TFEU). This lack of justification was also recognized earlier on by the Commission in its Staff Working Paper on the review of the EC legal framework in the field of copyright and related rights, where it was noted that "from

14 Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed at Lisbon, 13 December 2007, OJ C 306, 17.12.2007, pp. 1–271.

15 Also discussing this point, T. Cook & E. Derclaye, "An EU Copyright Code: What and How, If Ever?", *IPQ* 2011, 3, 259–269.

16 Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark, OJ L 154, 16.6.2017, pp. 1–99.

17 Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs, OJ L 3, 5.1.2002, pp. 1–24.

18 A. Ramalho, "Conceptualising the European Union's Competence in Copyright – What Can the EU Do?", *International Review of Intellectual Property and Competition Law* 2014, 45(2), 178–201, pp. 184–185.

19 Cf. Article 118 TFEU. This was confirmed by the CJEU – see joined cases C-274/11 and C-295/11, *Spain v. Council*, ECLI:EU:C:2013:240, para. 21.

20 Directive 2011/77/EU of the European Parliament and of the Council of 27 September 2011 amending Directive 2006/116/EC on the term of protection of copyright and certain related rights, OJ L 265, 11.10.2011, pp. 1–5.

21 Directive 2006/116/EC of the European Parliament and of the Council of 12 December 2006 on the term of protection of copyright and certain related rights (codified version), OJ L 372, 27.12.2006, pp. 12–18.

the point of view of the internal market, the term of protection for phonogram producers does not cause particular concern since the term has been harmonized in the Community."[22]

Another important point in discussions of EU competence concerns the type of legal act adopted by the EU institutions. Legally binding acts in the field of copyright have taken the form of Directives or, less frequently, of regulations. Indeed, the majority of EU copyright legislation takes the form of Directives. According to Article 288 TFEU, Member States may choose the form and method of implementation of a Directive, so long as they abide by the result that the Directive seeks to achieve.[23] The leeway that Member States have when implementing Directives is often ruled by the Directive itself, which might give Member States the choice of implementing more stringent measures,[24] or give them the option of not implementing certain provisions at all.[25] In these cases, the Directive carries out the so-called minimum harmonization, which contrasts with total or maximum harmonization, where EU legislation exhaustively regulates a given field or subject-matter (thereby preventing Member States from exercising legislative competence in said field or subject-matter).[26] Total harmonization leads to a higher degree of approximation of laws of the Member States – and therefore to a more uniform internal market – but minimum harmonization has the benefit of enabling the consensus necessary to actually enact legislation. In the long run, however, minimum harmonization may lead to barriers to cross-border trade, should Member States adopt very differing standards within the leeway allowed by the minimum harmonization measure.

It is possible to see this balance between maximum and minimum harmonization, for instance, in the Information Society Directive. Articles 2 to 4 of that Directive can be considered maximum harmonization measures: Member States must implement in their national laws the exclusive rights of reproduction (Article 2), communication to the public/making available (Article 3) and distribution (Article 4). The existence of these rights was hardly controversial, as all Member States had exclusive rights already in their national laws (albeit with differing scopes). By contrast, Article 5 paragraphs 2 and 3 of the Information Society Directive are minimum harmonization measures: Member States are allowed to pick and choose from a list of exceptions the ones they want to implement. The list was composed mainly of already existing national exceptions, a result that Member States achieved in the course of negotiations in the Council Working Group.[27] The same exception has been interpreted and implemented differently in different countries,[28] which in turn resulted in a

22 Commission Staff Working Paper on the review of the EC legal framework in the field of copyright and related rights, SEC (2004) 995, 19.7.2004, p. 11.

23 Unlike regulations, which are binding in its entirety and directly applicable in all Member States (cf. Article 288 TFEU).

24 For instance, Article 7 of the Term of Protection Directive (2006) mandates that Member States protect by copyright photographs that are original in the sense that they are the author's own intellectual creation, but leaves it to the individual countries to decide whether they want to provide protection for other photographs.

25 It is the case, for instance, of Article 5 paragraphs 2 and 3 of Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society (the Information Society Directive), which allows Member States to pick and choose the exceptions to copyright that they wish to implement in their national laws.

26 M. Dougan, "Minimum Harmonization and the Internal Market", *Common Market Law Review* 2000, 37, 853–885, pp. 854–855.

27 B. Hugenholtz, "Why the Copyright Directive is Unimportant, And Possibly Invalid", *EIPR* 2000, 22(11), 499–505, p. 500.

28 See for a complete overview G. Westkamp, *The Implementation of Directive 2001/29/EC in the Member States* (February 2007), available at http://bat8.inria.fr/~lang/orphan/documents/europe/ivir/InfoSoc_Study_2007.pdf (last accessed 23 July 2020). Note also that some exceptions lead to a higher level of

patchwork of exceptions throughout national laws and a high degree of disharmonization. One reason for this is that Member States have kept as much as possible the formulation of existing exceptions in their national laws, while adding further specifications.[29]

In addition to the leeway left to Member States in secondary legislation, the TFEU contains a few derogation clauses that the Member States can use to deviate from a Directive's clauses. In this respect and of interest to the field of copyright is Article 114(4), which stipulates that "[i]f, after the adoption of a harmonisation measure by the European Parliament and the Council, by the Council or by the Commission, a Member State deems it necessary to maintain national provisions on grounds of major needs referred to in Article 36, or relating to the protection of the environment or the working environment, it shall notify the Commission of these provisions as well as the grounds for maintaining them." This provision was introduced by the Single European Act as a trade-off: Member States' right to veto legislation had been substituted by majority voting, but Article 114(4) (then Article 100a(4)) allowed Member States to derogate from a harmonization measure (whereby they could introduce more stringent domestic levels of protection).[30] Importantly, the major needs referred to in Article 36 TFEU include the "protection of industrial and commercial property," a notion that encompasses copyright, especially when it is exploited commercially.[31]

Expansions of competence

The actual exercise of competence implies the participation of several EU institutions. The EU Commission has the right of legislative initiative.[32] In the majority of cases, the European Parliament and the Council adopt the legislative act.[33] But – through what some might term as "judicial activism"[34] – the CJEU has also played a role in the regulation of the copyright field. This section looks into concrete actions from some EU institutions that have expanded the EU competence in the field of copyright. It is first explored how the EU Commission has tightened its grip on copyright regulation, to then analyze the way in which the CJEU has made its own contribution to growing the *acquis* in the copyright arena.

EU Commission

Gold plating

In areas where there is minimum harmonization, the EU act leaves more flexibility at the national level and can give rise to the so-called "gold plating." Gold plating occurs when Member States, upon implementing EU acts, impose additional requirements, obligations or

harmonization than others – see E. Rosati, "Copyright in the EU: In Search of (in)flexibilities", *JIPLP* 2014, 9(7), 585–598, pp. 592–593.

29 L. Guibault, "Why Cherry-picking Never Leads to Harmonisation. The Case of the Limitations on Copyright under Directive 2001/29/EC", *JIPITEC* 2010, 1(2), 55–66, p. 58.

30 M. Dougan, *op.cit.*, pp. 878–879.

31 Joined cases 55/80 and 57/80, *Musik-Vertrieb v. Gema*, ECLI:EU:C:1981:10, para. 9.

32 Article 17(2) TEU.

33 Article 289 TFEU.

34 See, discussing this point, T. Tridimas, "The Court of Justice and Judicial Activism", *European Law Review* 1996, 21(3), 199–210.

standards on the addressees of the legislation that go beyond the requirements or standards foreseen in the transposed EU legislation.[35]

In its recent Communication on 'Identifying and addressing barriers to the Single Market,' the Commission recognized that minimum harmonization measures may lead to different legal rules across the EU Member States, which could in turn impose burdens on market actors – i.e., gold plating.[36] The regulatory overburden of businesses and individuals deemed unnecessary in light of the minimum requirements of a Directive is indeed the main argument against gold plating.[37] Gold plating can also contribute to disharmonization, while putting nationals from Member States where gold plating has occurred at a disadvantage vis-à-vis nationals of other Member States that opted for a minimalistic implementation.[38]

In its Communication, the Commission followed to clarify that:

> Additional national requirements must be justified by an overriding reason of public interest, be non-discriminatory, proportionate, easy to understand and compliant with the harmonised minimum rules.[39]

It is not entirely clear when national implementations that go beyond minimalistic transposition of Directives will be deemed to comply with these requirements. Overriding reasons of public interest include, for example, the protection of consumers,[40] of the environment[41] or of workers.[42] In the field of copyright, an overriding reason of public interest could be, e.g., the protection of copyright – in line with Article 36 TFEU and with the "high level of protection" professed by some Directives.[43]

Nevertheless, according to the Commission, even where compliant with these rules, Member States should keep differences to a minimum in light of single market objectives.[44]

It can easily be seen how an overly broad interpretation of gold plating may lead to a competence creep. For example, a Member State deciding to introduce mandatory collective management for the newly created right for press publishers (Article 15 of the DSM Directive) seems to amount to a classic case of gold plating that the Commission should rightly want to avoid. This is something not foreseen by the DSM Directive, and which is likely

35 Definition as per the Commission's Better Regulation Guidelines (Commission Staff Working Document SWD (2017) 350, 7 July 2017, available at https://ec.europa.eu/info/sites/info/files/better-regulation-guidelines.pdf (last accessed 17 July 2020).

36 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, "Identifying and addressing barriers to the Single Market", COM (2020) 93 final, 10 March 2020, pp. 12–13.

37 R. Král, "On the Choice of Methods of Transposition of EU Directives", *European Law Review* 2016, 41(2), 220–242, pp. 238–239.

38 *Ibid*.

39 Commission Communication "Identifying and Addressing Barriers to the Single Market", pp. 12–13.

40 Case C-342/14, *X-Steuerberatungsgesellschaft*, ECLI:EU:C:2015:827 para. 53.

41 C-400/08, *Commission v Spain*, ECLI:EU:C:2011:172 para. 74.

42 C-341/05, *Laval*, ECLI:EU:C:2007:809 para. 103.

43 Recitals 4 and 9 of the Information Society Directive; Recital 11 of the Term of Protection Directive (2006); Recitals 2, 3 and 62 of the DSM Directive; Recital 20 of Directive (EU) 2019/789 of the European Parliament and of the Council of 17 April 2019, laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organizations and retransmissions of television and radio programs, and amending Council Directive 93/83/EEC.

44 Commission Communication "Identifying and Addressing Barriers to the Single Market", pp. 12–13.

unjustified and disproportionate. It might also give rise to disharmonization, since other Member States will not introduce mandatory collective management for the new right.

What to make, however, of certain optional clauses, such as the derogation to the exception for digital and cross-border teaching activities contained in Article 5(2) of the DSM Directive? According to the provision, Member States may provide that the exception does not apply to specific uses or types of works or other subject matter, "such as material that is primarily intended for the educational market or sheet music," to the extent that suitable licenses are easily available on the market. If a Member State decides to make use of this provision and legislates that the exception does not apply to educational works, sheet music and any type of audiovisual content, is that country engaging in unjustified gold plating? On the one hand, it is making use of a possibility specifically provided for by that Directive (presumably, material primarily intended for the educational market and sheet music are mere examples, as indicated by the expression "such as"). On the other hand, and even if the Member State can cite an overriding reason of public interest and prove the proportionality of the measure, it should still strive to keep differences to a minimum in light of single market objectives, according to the Commission's guidance. If the correct interpretation is the latter and the Member State ought not to legislate in said fashion, then the Commission's guidance takes precedence over the compromise reached in other EU institutions in charge of approving EU laws – an expansion of competence whose legitimacy is doubtful. Indeed, even though the Commission's guidance on gold plating is part of a Commission's Communication – an instrument without any intrinsic binding force which cannot deviate from the Treaties or secondary law such as Directives[45] – the Commission warns that it has "power to bring infringement procedures and, as mentioned in the 'Communication on a long term action plan for better implementation and enforcement of single market rules,' it stands ready to assist Member States in improving compliance with EU law pursuing the common objective of a well-functioning single market." Member States are thus highly encouraged to comply, even though they technically do not have to.

Commission's guidelines

In some cases, the Commission is tasked with issuing guidelines by the legislation itself, in order to promote its consistent application throughout the EU. One example of this are the guidelines on Article 17 of the DSM Directive. Paragraph 10 of that provision states that the Commission, in cooperation with the Member States, shall organize stakeholder dialogues to discuss best practices between right holders and platforms, as well as consult relevant stakeholders, with a view to issuing guidance on the application of Article 17. According to that provision, when discussing best practices, special account should be taken, among other things, of the need to balance fundamental rights and of the use of exceptions and limitations.

What was said above about the lack of binding force of Commission's communications generally applies to guidelines. They are policy documents rather than normative instruments.[46] However, the power to issue guidelines on the application of Article 17 is established in the Directive itself, which gives the guidelines a binding force of sorts that this type of instrument usually does not have. In this light, the "special account" that must be taken of the balance between fundamental rights and the use of exceptions assumes an (even more) important role. They act as

45 B. de Witte & B. Smulders, "Sources of European Law", in P.J. Kuijper et al. (eds.), *The Law of the European Union*, 5th ed. (Alphen aan den Rijn: Wolters Kluwer, 2018), 193–234, p. 220.

46 B. de Witte & B. Smulders, *op.cit.*, p. 220.

signposts to the Commission's power to guide the Member States on the application of Article 17. At the time of writing, the Commission had organized six stakeholders' meetings, in which different stakeholders had the opportunity to share their views, and had issued a targeted consultation addressed to the participants of the stakeholder dialogue. It is unclear how and in what form those views will make it to the final guidelines. It is also unclear how the Commission will make sure that a balance between the different fundamental rights – of rightholders (Article 17 of the Charter of Fundamental Rights[47]), of platforms (Article 16 of the Charter), of users (Article 11 of the Charter) – will be achieved, or how the use of exceptions and limitations will be accounted for. The point is, the issuing of guidelines might end up being a significant expansion of competence, albeit one expressly permitted by secondary law. To be clear, the final guidelines can be challenged for, e.g., lack of compliance with fundamental rights or general principles of law; that has happened in the past in other fields.[48] Still, such *ex post* control of the exercise of power does not take away from the fact that guidance on the application of legislation – a legislation that binds Member States to a specific result, but not to the form or method to achieve that result, as per Article 288 TFEU – is being issued outside of a legislative procedure; that the guidance becomes more binding than its nature would infer, thanks to a specific mandate contained in secondary law; and that the normative limits of that guidance are quite loosely defined ("special account" should be taken of a balancing of rights and use of exceptions, but it is unclear what real weight both parameters have, or should have, in the final guidelines).

Court of Justice of the EU

The CJEU pioneered EU intervention in the area of copyright and related rights. The reason is that a territorial right like copyright conflicted with principles of free movement of goods and services. Absent any legislation on the matter, the Court was called on several occasions to rule on such conflicts.[49]

The Court's decisions often influence the EU Commission, incentivizing it to act. For example, three Directives are derived from CJEU case law: the Satellite and Cable Directive[50] (which is an offspring of the *Coditel I* case[51]); the Rental and Lending Rights Directive[52] (which is partially based on the *Warner* case[53]) and the Term of Protection Directive (a partial result of *EMI Electrola v. Patricia*[54]). Specifically with regard to the latter case, the Court ruled that the differences between national laws prevented the distribution of imported Danish records (where they were already in the public domain) in Germany (where copyright subsisted). In the decision, the CJEU suggested that this outcome was due to the "lack of harmonisation or approximation of legislation," which ascribed to Member States the

47 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, pp. 391–407 ("the Charter").

48 See, e.g., case C-526/14, *Tadej Kotnik and others*, ECLI:EU:C:2016:570.

49 For a review of the CJEU's early case law, see A. Ramalho, *The Competence of the European Union in Copyright Lawmaking*, pp. 61–80.

50 Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission, OJ L 248, 6.10.1993, pp. 15–21.

51 Case 262/81, *Coditel I*, ECLI:EU:C:1982:334.

52 Council Directive 92/100/EEC of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property, OJ L 346, 27.11.1992, pp. 61–66, later codified in Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006, OJ L 376, 27.12.2006, pp. 28–35.

53 Case 158/86, *Warner*, ECLI:EU:C:1988:242.

54 Case 341/87, *EMI Electrola v. Patricia*, ECLI:EU:C:1989:30.

determination of the conditions and rules for the protection of literary and artistic property. The case was taken up by the Commission as one of the justifications to act.[55]

However, it can also be argued that the EU Commission is not always a blind follower. A recent example concerns the claims to fair compensation enshrined in Article 16 of the DSM Directive, which states that:

> Member States may provide that where an author has transferred or licensed a right to a publisher, such a transfer or license constitutes a sufficient legal basis for the publisher to be entitled to a share of the compensation for the use of the work made under an exception or limitation to the transferred or licensed right.

This provision is in direct contradiction to the earlier CJEU case *Reprobel*,[56] where the Court ruled that Member States were not allowed to allocate a part of the fair compensation due following Article 5(2)(a) and (b) of the Information Society Directive to publishers of works created by authors. Article 16 of the DSM Directive thus seeks to reverse the Court's ruling.[57]

Cases where legislative action reverses CJEU case law are rare, though. And the reversal is not always the end of the story: if in theory it can be an effective form of controlling the Court's law-making,[58] such legislative action is also at the mercy of the Court's interpretation, which might mean that in the end the CJEU gets the upper hand.[59]

Independently of the Commission's reaction to CJEU case law – either that of a follower, or directly trying to reverse it – it can be argued that the CJEU also makes law on its own. The CJEU law-making is however incremental (governance through case law usually is).[60] The CJEU has by now ruled on several key aspects of EU copyright law that are not harmonized in legislation, such as the definition of the term 'work'[61] (on this, see the discussion in Chapter 4). This has been done mostly through the preliminary reference procedure, through which a national court asks the CJEU for a preliminary ruling on the interpretation of the Treaties or the interpretation and validity of, among other acts, secondary legislation such as Directives.[62] In other words, while the Court does not have law-making powers *per se*, it has de facto harmonized certain concepts that were not harmonized in EU legislation,

55 Explanatory Memorandum to the Term of Protection Proposal, para. 28:

> It is clear from this judgment that the differences between terms of protection in the Member States are such that the internal market in literary and artistic works and in cultural goods and services will not be brought about unless those terms are harmonized. The Court went so far as to state that the harmonization should concern not only the duration of the protection itself but also certain details thereof, such as the time from which the protection period is calculated. It follows from the Court's analysis that the harmonisation of terms of protection must be total if the internal market is to be created.[...].

56 Case C-572/13, *Hewlett-Packard Belgium SPRL v Reprobel SCR*, ECLI:EU:C:2015:750.

57 European Copyright Society, *General Opinion on the EU copyright reform package* (24 January 2017), page 6, available at https://europeancopyrightsocietydotorg.files.wordpress.com/2015/12/ecs-opinion-on-eu-copyright-reform-def.pdf (last accessed 23 July 2020).

58 G. Davies, "The European Union Legislature as an Agent of the European Court of Justice", *Journal of Common Market Studies* 2016, 54(4), 846–861, p. 851.

59 G. Davies, "Legislative Control of the European Court of Justice", *Common Market Law Review* 2014, 51(5), 1579–1607, pp. 1580–1581.

60 A Stone Sweet, "The European Court of Justice", in P Craig & G de Búrca (eds.), *The Evolution of EU Law*, 2nd ed. (Oxford: Oxford University Press, 2011), p. 129.

61 See, e.g., case C-310/17, *Levola Hengelo*, ECLI:EU:C:2018:899.

62 Article 267 TFEU.

having therefore been accused of engaging in "judicial activism" or "judicial law-making."[63] It is in this context that the activity of the CJEU is analyzed as an "extension of competence." It can, of course, be argued that the line between judicial law-making and judicial interpretation of existing law is a hard one to draw, and that in some cases a certain amount of law-making when judging is inevitable.[64] Indeed, the CJEU enjoys a certain margin of discretion. It is not bound to using a specific set of criteria or method of interpretation when deciding a case, which in turn means that it is not possible to define a scientific reasoning for evaluating the Court's rulings.[65]

At least in theory, though, as an institutional actor, the Court is bound by Treaty provisions that limit its interpretative freedom – just as the EU legislator would be constrained by the same norms when it comes to its law-making.[66] The Court is therefore constrained by relevant provisions in the Treaties, such as the EU's objectives and values,[67] or the principle of proportionality.[68]

Another relevant issue is that decisions from the CJEU are binding.[69] And binding decisions bring about the question of precedent. It is possible to distinguish different forms of precedent impact, such as formal bindingness, force or persuasive authority and provision of further support.[70] Roughly speaking, formal bindingness here represents the traditional view of common law systems, where precedents are legally authoritative in subsequent decisions, while force or persuasive authority – which makes a precedent not formally binding, but still important for legal argumentation – stands for the way in which most civil law countries treat previous judicial decisions.[71] Failure to follow the latter, therefore, does not render a decision unlawful.[72] Provision of further support is a nuance away from force or persuasive authority, in that not respecting it does not render a decision unlawful either, but means instead it is not as well justified as it could have been.[73]

Even though the CJEU does not formally have a binding system of precedent, one can argue that it substantially does.[74] If precedential strength is a scale, CJEU decisions are somewhere

63 S. Vousden, "Infopaq and the Europeanisation of Copyright Law", *WIPO Journal* 2010, 1(2), 197–210; J. Griffiths, *Infopaq, BSA and the 'Europeanisation' of United Kingdom Copyright Law*, available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1777027 (last accessed 1 July 2020); B. Hugenholtz, "Is Harmonisation a Good Thing? The Case of the Copyright Acquis", in J. Pila & A. Ohly (eds.), *The Europeanization of Intellectual Property Law: Towards a European Legal Methodology* (Oxford: OUP, 2013), 57–73; E. Rosati, *Originality in EU Copyright. Full Harmonisation through Case Law* (Edward Elgar, 2013).

64 K. Alter & L. Helfer, "Nature or Nurture? Judicial Lawmaking in the European Court of Justice and the Andean Tribunal of Justice", *International Organization*, 64(4), 563–592, p. 566.

65 On this point, also called "legal indeterminacy", see G. Beck, *The Legal Reasoning of the Court of Justice of the EU* (Hart, 2012), p. 6, 18–28.

66 T. Horsley, "Reflections on the Role of the Court of Justice as the "Motor" of European Integration: Legal Limits to Judicial Lawmaking", *Common Market Law Review* 2013, 50(4), 931–964, pp. 948–949.

67 Cf. Articles 2 and 3 TEU.

68 Article 5 TEU.

69 Article 91 of the Rules of Procedure of the Court of Justice of 25 September 2012, OJ L 265, 29.9.2012, as amended on 18 June 2013, OJ L 173, 26.6.2013.

70 For a thorough proposal distinguishing several types of precedent force, see A. Peczenik, "The Binding Force of Precedent", *in* D.N. MacCormick & R.S.Summers (eds.), *Interpreting Precedents. A Comparative Study* (Aldershot: Ashgate, 1997), 461–479.

71 Although there are exceptions to this division in each of the systems, see A. Peczenik, *op. cit.*

72 *Ibid.*, at 467–469.

73 *Ibid.*, 472–474.

74 See, e.g., E. Rosati, *Copyright and the Court of Justice of the European Union* (Oxford: Oxford University Press, 2019), p. 21, and references cited therein. See also similarly G. Tridimas & T. Tridimas, "National Courts and

between formal bindingness and force or persuasive authority. Several reasons could justify the use of binding precedents in the EU, including the abidance by the principle of non-discrimination (treating similar cases alike), the non-comprehensive nature of both primary and secondary EU law and, on a more general level, legal certainty and consistency.[75] In the end, it must be borne in mind that Article 267 TFEU seeks to promote the consistent application of EU law throughout the Member States,[76] which relates heavily to the rationale of precedent.[77]

The use of certain formulas in the Court's decisions has also reinforced the idea of "precedent." It is the case of the notion of "autonomous concepts of EU law," under which the CJEU has fleshed out certain concepts contained in Directives that ought to be interpreted uniformly throughout the EU, thus pushing for further integration.[78] "Autonomous concepts of EU law" do not make any reference to national laws and must therefore, according to the Court, be interpreted uniformly in all Member States.[79] By resorting to the notion of "autonomous concepts of EU law," the Court harmonizes certain concepts thereby giving them a precedential strength. The Court interprets the meaning of these autonomous concepts, *inter alia*, by considering the context in which the term is defined and the final goal of the provision where the term appears.[80]

In the end, when referring to a term as an "autonomous concept of EU law," the CJEU monopolizes its definition, to the detriment of national interpretations.[81] The expansion of competence is then solidified through self-reference (i.e., reference to previous cases decided

---

the European Court of Justice: A Public Choice Analysis of the Preliminary Reference Procedure", *International Review of Law and Economics* 2004, 24, 125–145, p. 129, who consider that, while CJEU decisions are not binding precedents in the sense that the term is used in common law systems, they still have normative value and cannot be ignored by national courts. Note however that the CJEU has in some cases refer to previous case law as "precedent", although not in the copyright field and not frequently – see, for instance, Case C-197-09 *EMEA* ECLI:EU:C:2009:804, para. 62.

75 M. Jacob, *Precedents and Case-based Reasoning in the European Court of Justice. Unfinished Business* (Cambridge: Cambridge University Press, 2014), pp. 12–20.

76 A. Stone Sweet, *op.cit*., p. 150; F. Jacobs, "The Role of the European Court of Justice in the Development of Uniform Law", in N. Jareborg (ed.), *Towards Universal Law: Trends in National, European and International Lawmaking* (Uppsala: Iustus Förlag, 1995),193–226, p. 194; L.R. Helfer & A-M. Slaughter, "Toward a Theory of Effective Supranational Adjudication", *Yale Law Journal* 1997–1998, 107(2), 273–392, p. 291. See also case 166/73 *Rheinmühlen-Düsseldorf v Einfuhr*, ECLI:EU:C:1974:3: "Article 177 [current Article 267 TFEU] is essential for the preservation of the Community character of the law established by the Treaty and has the object of ensuring that in all circumstances this law is the same in all States of the Community"; and Opinion 1/09, *Patent Litigation System*, ECLI:EU:C:2011:123, para. 83: "(…) Article 267 TFEU, which is essential for the preservation of the Community character of the law established by the Treaties, aims to ensure that, in all circumstances, that law has the same effect in all Member States. The preliminary ruling mechanism thus established aims to avoid divergences in the interpretation of European Union law which the national courts have to apply (…)."

77 See however L. Corrias, *The Passivity of the Law. Competence and Constitution in the European Court of Justice* (Dordrecht: Springer, 2011), p. 118 ff., explaining why in his view it is not correct to talk about the doctrine of precedent in the context of the system of preliminary ruling of the CJEU.

78 C. Geiger, "The Role of the Court of Justice of the European Union: Harmonizing, Creating and Sometimes Disrupting Copyright Law in the European Union", in I. Stamatoudi (ed.), *New Developments in EU and International Copyright Law* (Alphen aan den Rijn: Kluwer Law International, 2016); E. Rosati, *Copyright and the Court of Justice of the European Union*, pp. 42–43.

79 See, e.g., cases C-245/00, *SENA*, ECLI:EU:C:2003:68, para. 24; *Infopaq* para. 27; C-201/13, *Deckmyn*, ECLI:EU:C:2014:2132, para. 15; or *Levola Hengelo* para. 33.

80 See, e.g., *Deckmyn*, para. 19.

81 M. Inchausti Moya, *Harmonisation Risks Arising from the Implementation of the Best Effort Criteria in Art. 17(4) of Directive (EU) 2019/790 on Copyright and Related Rights in the Digital Single Market, 2019/2020* Leiden Advanced LL.M. thesis in European and International Business Law (in file with the author), p. 55.

by the Court itself). The Court frequently refers to earlier decisions that it is following in a particular case ("according to established case law"; "as the court has consistently held"), but rarely mentions decisions from which it departs.[82]

In sum, the Court as an institutional actor enjoys a broad margin of discretion in its decisions, and the latter, if not binding in a formal sense, have a rather persuasive force – including before the Commission, who has the power to initiate legislation. Expansions of competence at the Court's level can thus effectively steer the direction of the EU copyright *acquis*, independently of formal legislative procedures.

Conclusion

The cornerstone of the EU's competence to legislate in the field of copyright is (the establishment and functioning of) the internal market. Having the internal market as a legal basis to legislate, however, means that the substantive content of the legislation is left in large part to the legislator's own discretion. As argued in the past, a solution to that would be to resort to the primary law of the EU – namely, the Treaties, fundamental rights and general principles of law – to infuse normative content into the internal market legal bases.

Once legislation is passed, Member States' leeway to deviate from it is limited; either the EU act itself establishes that flexibility (through minimum harmonization measures that let countries set more stringent rules, or that let them decide whether to introduce the rule at all), or the TFEU allows the maintenance of national rules on the ground of major needs.

It can however be argued that certain expansions of competence might encroach upon this leeway. In that regard, this chapter has looked into the actions of two specific EU institutions: the Commission and the CJEU. The Commission has contributed to the expansion of EU competence in the field of copyright in two ways. First, by discouraging Member States from deviating from minimum standards established in secondary legislation, even if technically they are allowed to. Second, by making use of its mandate to issue guidance on the application of certain provisions. To be clear, it is not necessarily the case that the content of Commission's guidelines constitutes a substantive expansion of competence. However, the fact remains that a legislative act delegates in an EU institution a semi-discretionary power to influence national transpositions, and as such certain benchmarks – like the respect for fundamental rights – should be respected.

As for the CJEU, its case law has in the past influenced the EU legislator, and therefore the course of EU copyright law. Moreover, the combination of what is in practice a system of binding precedent with the filling of legislative gaps has led to the Court being a powerful actor in the building of a copyright acquis.

The expansions of competence mentioned in this chapter have one common characteristic: they go beyond the concrete compromises reached through the normal channels of legislative procedure, which may raise concerns of democratic legitimacy. The substantive merits of expansions of competence become thus even more relevant. The concrete actions resulting from these expansions of competence should abide strictly by the fundamental rights of concerned stakeholders. This has in any case been expressly mentioned in (at least) one mandate to issue guidelines (cf. Article 17(10) of the DSM Directive) and should be taken as a yardstick for any further action by any EU institution.

82 L.N. Brown & T. Kennedy, *The Court of Justice of the European Communities*, 5th ed. (London: Sweet & Maxwell, 2000), pp. 369–370.

References

K. Alter & L. Helfer, "Nature or Nurture? Judicial Lawmaking in the European Court of Justice and the Andean Tribunal of Justice", *International Organization* 2010, 64(4), 563–592.

G. Beck, *The Legal Reasoning of the Court of Justice of the EU* (Oxford: Hart, 2012).

L.N. Brown & T. Kennedy, *The Court of Justice of the European Communities*, 5th ed. (London: Sweet & Maxwell, 2000).

T. Cook & E. Derclaye, "An EU Copyright Code: What and How, If Ever?", *IPQ* 2011, 3, 259–269.

L. Corrias, *The Passivity of the Law. Competence and Constitution in the European Court of Justice* (Dordrecht: Springer, 2011).

G. Davies, "Legislative Control of the European Court of Justice", *Common Market Law Review* 2014, 51(5), 1579–1607.

G. Davies, "The European Union Legislature as an Agent of the European Court of Justice", *Journal of Common Market Studies* 2016, 54(4), 846–861.

M. Dougan, "Minimum Harmonization and the Internal Market", *Common Market Law Review* 2000, 37, 853–885.

European Copyright Society, *General Opinion on the EU Copyright Reform Package* (24 January 2017), available at https://europeancopyrightsocietydotorg.files.wordpress.com/2015/12/ecs-opinion-on-eu-copyright-reform-def.pdf (last accessed 23 July 2020).

C. Geiger, "The Role of the Court of Justice of the European Union: harmonizing, Creating and Sometimes Disrupting Copyright Law in the European Union", in I. Stamatoudi (ed.), *New Developments in EU and International Copyright Law* (Alphen aan den Rijn: Kluwer Law International, 2016).

L. Guibault, "Why Cherry-picking Never Leads to Harmonisation. The Case of the Limitations on Copyright under Directive 2001/29/EC", *JIPITEC* 2010, 1(2), 55–66.

J. Griffiths, *Infopaq, BSA and the 'Europeanisation' of United Kingdom Copyright Law*, available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1777027 (last accessed 23 July 2020).

L.R. Helfer & A-M. Slaughter, "Toward a Theory of Effective Supranational Adjudication", *Yale Law Journal* 1997–1998, 107(2), 273–392.

T. Horsley, "Reflections on the Role of the Court of Justice as the "Motor" of European Integration: Legal Limits to Judicial Lawmaking", *Common Market Law Review* 2013, 50(4), 931–964.

B. Hugenholtz, "Why the Copyright Directive is Unimportant, and Possibly Invalid", *EIPR* 2000, 22(11), 499–505.

B. Hugenholtz, "Is Harmonisation a Good Thing? The Case of the Copyright Acquis", in J. Pila & A. Ohly (eds.), *The Europeanization of Intellectual Property Law: Towards a European Legal Methodology* (Oxford: OUP, 2013).

M. Inchausti Moya, *Harmonisation Risks Arising from the Implementation of the Best Effort Criteria in Art. 17(4) of Directive (EU) 2019/790 on Copyright and Related Rights in the Digital Single Market, 2019/2020* Leiden Advanced LL.M. thesis in European and International Business Law (in file with the author).

M. Jacob, *Precedents and Case-based Reasoning in the European Court of Justice. Unfinished Business* (Cambridge: Cambridge University Press, 2014).

F. Jacobs, "The Role of the European Court of Justice in the Development of Uniform Law", in N. Jareborg (ed.), *Towards Universal Law: Trends in National, European and International Lawmaking* (Uppsala: Iustus Förlag, 1995).

R. Král, "On the Choice of Methods of Transposition of EU Directives", *European Law Review* 2016, 41(2), 220–242.

A. Peczenik, "The Binding Force of Precedent", in D.N. MacCormick & R.S. Summers (eds.), *Interpreting Precedents. A Comparative Study* (Aldershot: Ashgate, 1997).

J de la Quadra-Salcedo, *El sistema europeo de distribución de competencias* (Madrid: Thomson Civitas, 2006).

A. Ramalho, "Conceptualising the European Union's Competence in Copyright – What can the EU Do?", *International Review of Intellectual Property and Competition Law* 2014, 45(2), 178–201.

A. Ramalho, *The Competence of the European Union in Copyright Lawmaking* (Switzerland: Springer, 2016).

A. Ramalho, "Beyond the Cover Story – An Enquiry into the EU Competence to Introduce a Right for Publishers", *International Review of Intellectual Property and Competition Law* 2017, 48(1), 71–91.

E. Rosati, *Originality in EU Copyright. Full Harmonisation through Case Law* (Northampton: Edward Elgar, 2013).
E. Rosati, "Copyright in the EU: In Search of (in)flexibilities", *JIPLP* 2014, 9(7), 585–598.
E. Rosati, *Copyright and the Court of Justice of the European Union* (Oxford: Oxford University Press, 2019).
A Stone Sweet, "The European Court of Justice", in P Craig & G de Búrca (eds.), *The Evolution of EU Law*, 2nd ed. (Oxford: Oxford University Press, 2011).
G. Tridimas & T. Tridimas, "National Courts and the European Court of Justice: A Public Choice Analysis of the Preliminary Reference Procedure", *International Review of Law and Economics* 2004, 24, 125–145.
T. Tridimas, "The Court of Justice and Judicial Activism", *European Law Review* 1996, 21(3), 199–210.
S. Vousden, "Infopaq and the Europeanisation of Copyright Law", *WIPO Journal* 2010, 1(2), 197–210;
G. Westkamp, *The Implementation of Directive 2001/29/EC in the Member States* (February 2007), available at http://bat8.inria.fr/~lang/orphan/documents/europe/ivir/InfoSoc_Study_2007.pdf (last accessed 23 July 2020).
B. de Witte & B. Smulders, "Sources of European Law", in P.J. Kuijper et al. (eds.), *The Law of the European Union*, 5th ed. (Alphen aan den Rijn: Wolters Kluwer, 2018).

2

FUNDAMENTAL RIGHTS IN EU COPYRIGHT LAW

An overview

Tito Rendas

Abstract

Fundamental rights have been serving different functions in the copyright case law of the Court of Justice of the European Union (CJEU). Most notably, the Court has confirmed time and again that fundamental rights have horizontal effects, asserting that the copyright *acquis* must be interpreted in light of the Charter of Fundamental Rights of the EU and in a way that expresses a "fair balance" between competing rights.

In assessing that balance, the Court recurrently weighs various Charter rights. On the one hand, copyright itself is protected under the fundamental right to property enshrined in Article 17. On the other hand, the CJEU has been increasingly relying on users' fundamental rights – namely, freedom of expression and information, the right to the protection of personal data, the freedom of the arts, the right to education and the freedom to conduct a business – as counterweights to the proprietary interests of rightholders.

These rights have been employed by the CJEU mainly in relation to three aspects of copyright law: (i) ownership and scope of protection, (ii) exceptions and (iii) enforcement measures. This chapter provides a sketch of the influence exerted by fundamental rights in these areas, with particular emphasis on CJEU case law.

Contents

Abstract 18
Introduction 19
Ownership and scope of protection 21
Copyright as a fundamental right 21
Fundamental freedoms as limits to the scope of exclusivity 22
Exceptions 24
The interpretation of copyright exceptions 24
The exhaustive nature of the catalogue 27
Enforcement 28
Disclosure injunctions 28
Blocking and filtering injunctions 30
Conclusion 32
References 34

Case law 36
CJEU judgments and orders 36
AG Opinions 38
European Court of Human Rights (ECtHR) 38
National case law 38

Introduction

The growing reference to fundamental rights – the kind of rights enshrined in human rights instruments and national constitutions – in the copyright *acquis*, especially in the judgments of the Court of Justice of the European Union (CJEU), has led some to speak of a trend toward the constitutionalization of EU copyright law.[1] Indeed, the recourse to fundamental rights-based reasoning in CJEU case law has sharply increased after the coming into force of the Treaty of Lisbon,[2] through which the Charter of Fundamental Rights of the EU[3] (Charter) acquired legally binding character.

The Charter – a modern human rights bill, codifying some 50 different rights[4] – was granted the same legal status as the founding EU Treaties[5] and has since become the main fundamental rights instrument in the case law of the CJEU. Simultaneously, however, there is no shortage of scholars who are critical of the allusions to such rights in CJEU rulings, deeming them "inconsistent",[6] "incoherent",[7] "selective"[8] and "window-dressing".[9]

Fundamental rights have served different functions in the copyright case law of the CJEU.[10] Occasionally, the Court has assessed the compatibility of provisions in the copyright *acquis* with fundamental rights norms. This has been the case in *Metronome Musik*, regarding Article 1(1) of

1 See Geiger (2006); Griffiths (2013) and (2017); Mylly (2015); and Schovsbo (2015). This trend forms part of what may be considered a broader movement of constitutionalization of private law. On such movement in European private law, see Micklitz (2014).

2 Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed at Lisbon, 13 December 2007, OJ C 306, 17.12.2007, pp. 1–230.

3 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, pp. 391–407.

4 As noted by the CJEU, the fundamental rights that are currently entrenched in the Charter draw inspiration from the constitutional traditions common to the EU Member States and from the guidelines supplied by international instruments for the protection of human rights – see, e.g., CJEU, *Parliament v. Council*, at [35]. See also Article 6(3) of the Consolidated version of the Treaty on European Union, OJ C 326, 26.10.2012, pp. 13–390 (TEU).

5 *See* Article 6(1) TEU.

6 Griffiths (2019), p. 3.

7 Jongsma (2019), p. 2.

8 Mylly (2015), p. 126.

9 Griffiths (2013), p. 74, arguing that the CJEU resorts to fundamental rights talk in order to legitimize its harmonizing agenda.

10 From a legislative standpoint, fundamental rights have also been used as a justification for the adoption of instruments of EU secondary law – see, e.g., Recitals 3 and 31 of Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19 (InfoSoc Directive) and Recitals 2 and 32 of Corrigendum to Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ L 157, 30.4.2004), OJ L 195, 2.6.2004, pp. 16–25 (Enforcement Directive). References to fundamental rights can also be found in the recent Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125 (DSM Directive): see Article 17(10) and Recitals 70, 84 and 85.

the Rental and Lending Directive,[11] and *Laserdisken*, concerning the interpretation and validity of Article 4(2) of the InfoSoc Directive.[12] In both cases, as scholars have pointed out, the validity of the provisions was upheld in a "questionably cursory manner".[13] In addition, at the time of writing, a challenge filed by the Republic of Poland seeking the annulment of the controversial Article 17 of the DSM Directive is pending before the CJEU (C-401/19).[14]

Moreover, the judges in Luxembourg have recurrently stated that Member State legislatures are bound by fundamental rights in implementing EU copyright directives.[15] This, however, is far from being an extraordinary proposition, since the Charter itself states that its provisions are addressed to the Member States when they are implementing Union law.[16]

All this said, in its copyright case law the CJEU has gone one step further: it has confirmed that fundamental rights have horizontal effects, asserting that the copyright *acquis* must be *interpreted* by courts in light of the Charter and in a way that expresses a "fair balance" between competing rights. In evaluating that balance, the Court has weighed (however loosely) a number of rights protected by the Charter in a variety of cases. On the one hand, copyright itself, as a category of intellectual property (IP) right, is safeguarded under the fundamental right to property enshrined in Article 17 of the Charter.[17] On the other hand, the CJEU has been increasingly relying on users' fundamental rights as counterweights to the proprietary interests of rightholders. The Charter rights that have been affording weight to the users' side of the scale include, first and foremost, the freedom of expression and information[18]

11 The CJEU held that Article 1(1) of Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version), OJ L 376, 27.12.2006, pp. 28–35 (Rental and Lending Directive), which requires Member States to provide for an exclusive right of rental and lending, did not violate the freedom to pursue a trade or profession, specifically the freedom of individuals or undertakings dedicated to the commercial rental of phonograms. The Court further observed that "according to settled case-law, the freedom to pursue a trade or profession, and likewise the right to property, form part of the general principles of Community law" (at [21]).

12 Article 4(2) of the InfoSoc Directive provides for a rule of regional, instead of international, exhaustion of the distribution right, meaning that this right is only exhausted on the first authorized transfer of ownership of a copy within the European Economic Area. The judges rejected the argument put forward by Laserdisken – a company selling copies of movies that had been imported not only from EU Member States, but also from non-member countries – that such a limited territorial scope of the rule of exhaustion deprived EU citizens of their freedom to receive information. Even if Article 4(2) was capable of restricting such freedom, the Court argued, the restriction was justified by the need to protect copyright as part of the right to property (at [60]–[66]).

13 *See* Griffiths (2017), p. 3.

14 Poland claims that the CJEU should annul Article 17(4)(b) (best efforts to ensure the unavailability of unlicensed works on online content-sharing platforms) and Article 17(4)(c), *in fine* (best efforts to prevent future uploads of such works) of the DSM Directive, or, alternatively, the provision in its entirety. In Poland's view, the contested paragraphs infringe the freedom of expression and information guaranteed by Article 11 of the Charter. It argues, in particular, that the imposition on online content-sharing platforms of the obligations contained in those rules makes it necessary for the platforms to carry out prior automatic verification of content uploaded by users in order to avoid liability, thereby forcing platforms to introduce preventive control mechanisms (also known as "filters"). Such mechanisms, Poland maintains, undermine the essence of the mentioned freedom and do not comply with the requirement that its limitations be proportional and necessary.

15 See, *e.g.*, regarding the implementation of exceptions set forth in Article 5(2)–(3) of the InfoSoc Directive, the recent decisions in CJEU, *Funke Medien*, at [31] and [53], and CJEU, *Spiegel Online*, at [20] and [38].

16 See Article 51(1) of the Charter.

17 Regarding the nature of copyright as a human right, *see* Torremans (2008) (with a focus on international human rights instruments) and Griffiths & McDonagh (2013) (focusing on Article 17(2) of the Charter).

18 For an early study on the tension between copyright and freedom of expression in Europe, *see* Hugenholtz (2001). Examining the recent influence of freedom of expression and information on EU copyright law, see: Izyumenko (2016); Jütte (2016); and, adopting a comparative EU-US perspective, Lucas & Ginsburg (2016).

(Article 11[19]), as the right to the protection of personal data (Article 8), the freedom of the arts (Article 13), the right to education (Article 14) and the freedom to conduct a business (Article 16). Ever since the Lisbon Treaty entered into force, the CJEU has been gradually examining EU copyright provisions in light of these norms, either on its own initiative or because it is expressly prompted to do so by the referring court.

These rights have been employed by the CJEU mainly in relation to three areas of copyright law: ownership and scope of protection, exceptions and enforcement measures.[20] The present chapter provides a sketch of the influence exerted by fundamental rights in these areas, with particular emphasis on the CJEU's judgments. The chapter closes with a brief critical analysis of this case law.

Ownership and scope of protection

One of the earliest contributions of fundamental rights discourse to EU copyright law was the recognition that copyright enjoys the status of a fundamental right. As shall be seen, the CJEU has made use of this qualification to answer a very concrete question on copyright ownership. But copyright as a fundamental right is not without limits. In EU copyright law, limits to the scope of copyright protection have been progressively uncovered with the help of users' fundamental freedoms.

Copyright as a fundamental right

The CJEU has been including IP, in general, and copyright, in particular, within the scope of the fundamental right to property since before the entry into force of the Lisbon Treaty.[21] Naturally, after Lisbon, those references have only increased.

Within the Charter, the right to property is guaranteed by Article 17. Paragraph 1 recognizes the general property right in terms similar to the ones used in Article 1 of Protocol 1 to the European Convention on Human Rights (ECHR). Paragraph 2 declares quite simply that "Intellectual property shall be protected" – a statement that has been aptly described by Jonathan Griffiths as "Delphic".[22] The author also notes that scholars initially feared that this

19 Article 11 finds its counterpart in Article 10(1) of the European Convention on Human Rights (ECHR), which is worded in a similar manner. In spite of the pending EU accession to the ECHR, Article 10 thereof and the case law of the European Court of Human Rights (ECtHR) are of relevance to EU copyright law the Charter rights that correspond to rights recognized by the ECHR shall have the same meaning and scope as the equivalent ECHR rights (Article 52(3) of the Charter). A wide range of uses of copyright-protected works may be protected by the freedom of expression and information. For instance, the ECtHR has considered that this freedom covers the posting of photographs of fashion shows on the website of an online fashion magazine and the putting in place of a commercial peer-to-peer (P2P) file sharing system – *see*, respectively, ECtHR, *Ashby Donald*, and ECtHR, *The Pirate Bay*. In both cases, though, the ECtHR concluded that the interference with freedom of expression did not amount to a violation of Article 10 of the ECHR. For a detailed analysis of these judgments, see Geiger & Izyumenko (2014) and, for an overview of the ECtHR case law on IP, see Geiger & Izyumenko (2018).

20 For an alternative systematization of the CJEU's approach, identifying different phases in its fair balance case law, *see* Sganga (2019).

21 Pre-Lisbon, the right to property had been treated as a fundamental right in several copyright cases. See CJEU, *Metronome Musik*, para. 21; *Promusicae*, at [62] (both recognizing it as a "general principle of Community Law"); and CJEU, *Laserdisken*, at [62] and [65] (citing Article 1 of Protocol 1 to the ECHR). See also ECtHR, *Ashby Donald*, at [40] (also stating that Article 1 of Protocol 1 applies to IP).

22 Griffiths (2017), p. 6.

statement meant that IP would benefit from unrestricted protection under the Charter.[23] The CJEU, however, has dismissed such idea in a series of cases, repeatedly asserting that there is nothing in the wording of Article 17(2) to suggest that IP rights are inviolable and must for that reason be absolutely protected.[24] Accordingly, and as already mentioned, that right has been balanced by the CJEU against opposing fundamental rights on multiple occasions.[25]

But Article 17(2) has played a remarkable role in one particular CJEU judgment. In *Luksan*, the Court invoked that Charter provision to support the holding that a Member State, in its national legislation, is not allowed to refuse granting the rights to exploit a cinematographic work to its principal director. Austrian law provided that the exploitation rights in commercially produced films vested in the producer. The Court ruled that, taking into account that EU secondary law determined that the principal director of a film is to be considered its author or one of its authors, the Austrian solution would be tantamount to a "deprivation" of a lawfully acquired IP right. The Austrian denial of copyright first ownership over a film to its principal director was therefore found incompatible, *inter alia*, with Article 17(2) of the Charter.[26]

Fundamental freedoms as limits to the scope of exclusivity

The fundamental freedoms of users of copyright-protected works have also been employed by the CJEU to erect limits to the scope of exclusivity, either through the (proposed) exclusion of certain subject matter from the realm of copyright protection or through the delineation of specific economic rights.

The *Funke Medien* case concerned the publication by a German newspaper of the so-called Afghanistan Papers – a set of confidential military reports on the operations of German armed forces in Afghanistan between 2005 and 2012. The German Government asserted copyright over those military reports in order to prevent their dissemination. In his Opinion on the case, Advocate General (AG) Maciej Szpunar reasoned that the freedom of expression provided in Article 11 of the Charter should be understood as precluding Member States from invoking copyright in such circumstances.[27] In the AG's own words, "the protection of the documents at issue by copyright would be contrary to that article of the Charter".[28] This Opinion was the first time that freedom of expression was conceived of, at the level of EU law, as an external limitation to copyright.[29] The proposal, however, was not picked up by the Grand Chamber, which shied away from providing a clear-cut answer to the issue of the eligibility of military reports for copyright protection, leaving that determination to be made by the referring court.[30]

23 See, *e.g.*, Geiger (2009).

24 *See* CJEU, *Funke Medien*, at [72] and case law cited therein. On the interpretation of Article 17(2) of the Charter, *see* Geiger (2020), concluding that "it would have been much better to underline the limited character of IP explicitly to prevent any abusive interpretations".

25 The most relevant judgments are cited throughout the chapter.

26 *See* CJEU, *Luksan*, at [68]–[71].

27 *See* AG Opinion, *Funke Medien*, at [44]–[66].

28 AG Opinion, *Funke Medien*, at [44].

29 *See* Geiger & Izyumenko (2019a).

30 Though not without adding that if the national court found that such reports constituted "purely informative documents", it was bound to conclude that they did not enjoy protection – see CJEU, *Funke Medien*, at [16]–[26].

But while the Court has not felt entirely comfortable in denying copyright protection to certain categories of subject matter on Charter grounds, it has used fundamental rights to help define the contours of exclusive rights. In *GS Media* (also discussed in Chapter 9), the Court refused to qualify all acts of hyperlinking to works made freely available without the rightholder's permission as infringements of the right of communication to the public, on the grounds that such qualification would have "highly restrictive consequences for freedom of expression and of information" and that hyperlinks contribute to the sound operation of the Internet.[31] Recognizing that it would be difficult for Internet users who wished to post hyperlinks to ascertain the existence of permission, the Court determined that acts of hyperlinking to freely accessible but illegally uploaded works would amount to copyright infringement *only if* the user had knowledge of illegality, which is to be presumed when the posting of the hyperlink is carried out for profit.[32]

The Court's subsequent judgment in *Renckhoff* (also discussed in Chapter 9) stands in contrast with *GS Media*. In *Renckhoff*, the Court stated that the online re-posting of works did not contribute, at least not to the same extent as hyperlinking, to the dissemination of information. Therefore, to exempt acts of unauthorized re-posting would fail to attain a fair balance between the fundamental right to the protection of IP and the users' freedom of expression and information.[33] The specific use at stake in the national proceedings involved the posting, on a school's website, of a student assignment that contained a third-party photograph that had been previously posted elsewhere on the Internet. While the Court conceded that this kind of use was covered by the exercise of the right to education laid down in Article 14 of the Charter, it also recalled that the InfoSoc Directive provided for an exception that exempted uses for the sole purpose of illustration for teaching and scientific research in Article 5(3)(a), suggesting that this was sufficient to achieve a proper equilibrium between the conflicting fundamental rights.[34]

All this said, in *Pelham*, the Court yet again justified the exclusion of certain acts from the scope of *prima facie* infringement (also discussed in Chapter 7) – this time, of the reproduction right – by resorting to fundamental rights. The case concerned the practice of sampling, that is, the reproduction of minimal parts of a phonogram for the purposes of using it in another phonogram. According to the Court, any extract of a phonogram used without authorization in the creation of a new phonogram infringes the reproduction right in Article 2 of the InfoSoc Directive. Notwithstanding this general conclusion, the right *does not* extend to the use of a sample in a modified form that is unrecognizable to the ear. To regard such an act as an infringement of the right of reproduction would allow a phonogram producer to prevent other people from using very short sound samples for the purposes of artistic creation, despite the fact that those acts of sampling would not prevent the producer from deriving "satisfactory returns" out of his or her investment.[35] Such a reading would therefore amount to a failure to adequately balance IP with the conflicting freedom of the arts enshrined in Article 13 of the Charter, the latter protecting the technique of sampling as a form of artistic expression.[36]

31 CJEU, *GS Media*, at [44]–[45].
32 *See* CJEU, *GS Media*, at [44]–[54]. For commentary, see Rendas (2017a), Rosati (2017) and Senftleben (2016).
33 See CJEU, *Renckhoff*, at [40]–[41].
34 CJEU, *Renckhoff*, at [42]–[43].
35 CJEU, *Pelham*, at [38].
36 CJEU, *Pelham*, at [26]–[37].

Exceptions[37]

Arguably, the domain within EU copyright law where fundamental rights have played a more significant role is that of exceptions. In this field of the *acquis*, fundamental rights norms have been used by the CJEU for two main purposes: to determine the relative importance of competing canons of interpretation of exceptions, namely strict and purposive interpretation, and to confirm the exhaustive nature of the catalogue provided in Article 5 of the InfoSoc Directive.[38]

The interpretation of copyright exceptions

The canon of strict interpretation of exceptions is a staple in the case law of the CJEU. The canon has been invoked in relation to a wide range of subject matter, like the recognition of professional qualifications[39] and VAT exemptions and reduced rates.[40] The Court has gone as far as saying that "*any* derogation from or exception to a general rule must be interpreted strictly",[41] elevating the canon to a general interpretative maxim applicable in virtually every legal field.

The canon was imported into copyright law through the *Infopaq I* judgment, which dealt with the interpretation of the mandatory exemption for acts of temporary reproduction provided in Article 5(1) of the InfoSoc Directive.[42] The CJEU started by recalling that, according to its settled case law, the provisions of a directive which derogate from a general principle established by that directive must be interpreted in a strict manner.[43] It went on to state that this canon applied to the exception under examination, because the provision worked as a derogation to the general principle according to which the authorization of the rightholder was needed for any reproduction of a protected work.[44] Although the canon was derived from the case law on other fields, the Court found a basis for its import in copyright-specific objectives and rules.[45]

37 This section draws on parts of my PhD thesis, which I defended on 25 September 2020 at Universidade Católica Portuguesa (Lisbon).

38 This, however, does not exhaust the CJEU's contribution to clarifying the way in which copyright exceptions (and connected doctrines, like that of fair compensation) and Charter principles interact. In *Copydan Båndkopi*, faced with the question of whether the private copying levy provided by national legislation could target detachable media, such as mobile telephone memory cards, while not targeting integral components, like internal memories of MP3 players, the Court noted that Article 5 exceptions must be applied in a manner that is consistent with the principle of equal treatment enshrined in Article 20 of the Charter and that the different treatment of comparable devices and media had to be justified (at [30]–[41]). The principle of equal treatment, in the form of the prohibition against discrimination based on race, color and ethnic origin (Article 21(1) of the Charter) was also cited in the *Deckmyn* case (at [30]).

39 CJEU, *Beuttenmüller*, para. 64.

40 See, *e.g.*, CJEU, *Stichting Uitvoering Financiële Acties*, at [13]; CJEU, *SDC v Skatteministeriet*, at [20]; and CJEU, *Commission v France*, at [30].

41 CJEU, *Oude Luttikhuis*, at [23] (emphasis added).

42 Early references to this rule can be found in a series of cases on the incorrect transposition of the Rental and Lending Directive: CJEU, *Commission v Portugal*, at [22]; CJEU, *Commission v Spain*, at [31], [39], and [41]; and CJEU, *Commission v Ireland*, at [26] and [30].

43 CJEU, *Infopaq I*, at [56].

44 CJEU, *Infopaq I*, at [57]. See also, in the context of the same national proceedings, CJEU, *Infopaq II*, at [27].

45 CJEU, *Infopaq I*, at [58]–[59]. After *Infopaq*, the Court has extended the reach of this interpretative rule to other InfoSoc exceptions, namely the one for acts of private copying: see CJEU, *ACI Adam*, at [22]–[31]; CJEU, *Copydan Båndkopi*, at [74]–[79]; CJEU, *Reprobel*, at [57]–[64]; and CJEU, *VCAST*, at [32] and [39]. The Court has also read exceptions provided in other Directives in a stringent fashion: CJEU, *Ranks & Vasi*ļ*evičs*,

In the aftermath of *Infopaq I*, scholars criticized the introduction into copyright law of the "dogma" of strict interpretation and hoped that the Court would change course in future cases.[46] It did not take long for the CJEU to answer scholarly prayers, by consistently toning down the strict approach to InfoSoc exceptions.

The process began with the recognition, in successive rulings, that the task of interpretation must also take into account the exceptions' effectiveness and the observance of their purpose. This is consistent with the Court's settled case law according to which the interpretation of a provision of EU law should consider not only its wording but also its context and the objectives pursued.[47] Inaugurated in *Premier League*,[48] this teleological approach to InfoSoc exceptions has been confirmed in a series of cases[49] and, in more recent rulings, the Court has been developing it in light of an added dimension – that of fundamental rights.

In *Painer* (also discussed in Chapter 12), the CJEU was asked, *inter alia*, whether the InfoSoc quotation exception was applicable where a press report that quotes protected content is not in itself a literary work protected by copyright.[50] The underlying national case concerned the unauthorized publication by media outlets of a portrait photograph in the context of a search for a kidnapped girl. In answering the question, the Court noted that the quotation exception must be interpreted in light of its purpose, which is to strike a fair balance between the freedom of expression of users and the protection of copyright.[51] This was the first time that the CJEU acknowledged the role fundamental rights should play in the interpretation of copyright exceptions. In the context of the referred question, the Court concluded that the users' freedom of expression should prevail over the interests of authors, provided that the author's name is indicated (if possible), and, therefore, that the quotation exception may apply where the press report quoting the content is not protected by copyright.[52]

Following *Painer*, the CJEU has searched for guidance in the Charter in construing other copyright exceptions. In *DR/TV2 Danmark*, the Court held that a broad interpretation of the ephemeral recordings exception found support in the broadcasting organizations' freedom to conduct their business[53] and, in *Deckmyn* (also discussed in Chapter 16), that the application of the parody exception must achieve a fair balance between, on the one hand, the interests

---

at [41]–[43] (on the exception for the making of back-up copies in Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version), OJ L 111, 5.5.2009, pp. 16–22).

46 Senftleben (2013), p. 93. *See also*, *e.g.*, Leistner (2011), p. 427; Peukert (2015), p. 146; and Quintais (2017), p. 203. *Contra, see* Schricker (1997), p. 139, and Jehoram (2005), p. 360.

47 CJEU, *SGAE*, at [34] (and case law cited therein).

48 CJEU, *Premier League*, at [162]–[164].

49 Nevertheless, the CJEU kept following the rhetorical strategy of citing the rule of strict interpretation, even where it ended up construing the relevant exceptions in a somewhat broad manner in light of their purpose: see CJEU, *PRCA*, at [23]; CJEU, *VOB*, at [50]; CJEU, *Funke Medien*, at [69]–[71]; and CJEU, *Spiegel Online*, at [53]–[55].

50 CJEU, *Painer*, at [129]–[137].

51 *Ibid.,* at [134]. See also CJEU, *Funke Medien*, at [60], where the Court pointed out that the quotation exception and the exception for the reporting of current events "are specifically aimed at favouring the exercise of the right to freedom of expression by the users of protected subject matter and to freedom of the press […] over the interest of the author in being able to prevent the use of his or her work, whilst ensuring that the author has the right, in principle, to have his or her name indicated".

52 CJEU, *Painer*, at [135]–[136]. It is doubtful, however, whether the Court needed to appeal to freedom of expression in order to reach this conclusion. As the decision itself acknowledges, Article 5(3)(d) includes no requirement that a work must be quoted as part of a literary work protected by copyright (at [130]).

53 CJEU, *DR/TV2 Danmark*, at [57].

and rights of copyright holders and, on the other hand, the freedom of expression of users.[54] Of course, depending on the exception at stake, other fundamental rights may be relevant.[55]

More recently, in the 2019 triad of references made by Germany's Federal Court of Justice (BGH),[56] the CJEU confirmed that national courts, in applying copyright exceptions, must rely on an interpretation that, while consistent with their wording and safeguarding their effectiveness, fully adheres to the fundamental rights enshrined in the Charter.[57] This need to interpret exceptions in light of fundamental rights standards seems to have influenced the Court's analysis of the scope of the relevant exceptions in each case.

In *Funke Medien*, the Court ruled that the publication of confidential reports by a media organization – assuming that they amounted to protected works and that there had thus been a *prima facie* copyright infringement – was capable of falling within the exception for the reporting of current events. This was so because the reports had been presented on the newspaper's website in a structured form and in conjunction with an introductory note, further links and a space for comments.[58] The fact that the reports contained information on matters of public interest – a factor that the ECtHR weighs in its case law on copyright and freedom of expression – seemed to play a factor in the interpretation.[59]

In *Pelham*, as previously mentioned, the Court considered sampling a form of artistic expression covered by the freedom of the arts guaranteed by Article 13 of the Charter.[60] It then read the InfoSoc quotation exception in light of such provision to conclude that where the creator of a new musical work uses a sound sample taken from a phonogram which is *recognizable* to the ear (the unrecognizable ones had been deemed excluded from the reproduction right) in that new work, the use of that sample may amount to a quotation, provided that the remaining conditions in Article 5(3)(d) are met.[61]

In *Spiegel Online*, which involved the making available of a politician's essays on morally controversial issues, the Court highlighted that the rationale of the exception for the reporting of current events is to contribute to the exercise of the freedom of information and the freedom of the media and that "the purpose of the press, in a democratic society governed by the rule of law, justifies it in informing the public, without restrictions other than those that are strictly necessary".[62] Based on this, the Court rejected the idea that the exception for the reporting of current events includes a requirement that the user must seek the authorization of the rightholder where reasonably possible[63] – thus suggesting, but never explicitly saying, that the exception could apply to the use made by Spiegel Online.[64]

54 CJEU, *Deckmyn*, at [27]. See also Recital 70 of the DSM Directive. On the *Deckmyn* judgment in detail, see Rosati (2015).

55 For instance, in *Renckhoff*, AG Campos Sánchez-Bordona interpreted the exception in Article 5(3)(a) of the InfoSoc Directive in light of the right to education in Article 14 of the Charter: see AG Opinion, *Renckhoff*, at [109]–[121].

56 For a thorough analysis of such judgments, see: Geiger & Izyumenko (2019c); Sganga (2019); and Snijders & Deursen (2019).

57 CJEU, *Funke Medien*, at [76], and CJEU, *Spiegel Online*, at [59].

58 CJEU, *Funke Medien*, at [75].

59 CJEU, *Funke Medien*, at [74].

60 CJEU, *Pelham*, at [35].

61 CJEU, *Pelham*, at [72]. One such condition is the one requiring the use to have the intention of establishing an intellectual dialogue with the work from which the sample was taken (at [71] and [73]).

62 CJEU, *Spiegel Online*, at [45] and [72].

63 CJEU, *Spiegel Online*, at [73].

64 In the end, however, the BGH confirmed the lawfulness of Spiegel Online's conduct, finding that the exception for the reporting of current events – laid down, at the national level, in Section 50 of the UrhG – applied to the case. *See* BGH, I ZR 228/15.

In sum, this practice of engaging in a purpose-bound, fundamental rights-guided interpretation of copyright exceptions gives judges leeway they would otherwise lack. It is an approach that has allowed the CJEU to grant a wider scope to some InfoSoc exceptions than that which would have been attained through a purely strict interpretation thereof and, consequently, to accommodate some uses that would arguably fall outside the textual scope of the relevant exceptions.[65] But despite the merits that such flexible interpretations may have, they are but a next-to-best solution.

Ideally, EU copyright law would contain doctrinal mechanisms of its own – such as some kind of EU fair use clause, as scholars have been suggesting for some time now[66] – that would allow the balancing of conflicting interests to be conducted internally and in a methodologically transparent manner. That, however, is a story for another time.[67]

The exhaustive nature of the catalogue

In regulating copyright exceptions in the InfoSoc Directive, the EU legislator opted to include a closed catalogue therein. The closed character of the list of exceptions in Article 5 is confirmed by Recital 32, which states that the directive "provides for an exhaustive enumeration of exceptions and limitations to the reproduction right and the right of communication to the public". Also, prior to 2019, some CJEU decisions had already stated that the catalogue was "exhaustive in nature".[68]

Nonetheless, in the trio of rulings delivered in the summer of 2019, the exhaustiveness of the catalogue was explicitly put to the test, with the CJEU being asked whether fundamental rights, namely freedom of information and freedom of the media, could justify exceptions to the rights of reproduction and communication to the public beyond those listed in Article 5(2)–(3). The answer that the Court gave was a resounding "no". In the Court's view, if Member States were free to provide for exceptions beyond the listed ones, that "would endanger the effectiveness of the harmonisation of copyright and related rights effected by that directive, as well as the objective of legal certainty pursued by it".[69] Such a degree of Member State freedom would hinder the requirement of consistency in the implementation of exceptions contained in Recital 32 ("Member States should arrive at a coherent application of these exceptions and limitations").[70] Moreover, copyright law itself, through the existing exceptions, provides for internal mechanisms that allow conflicting rights and interests to be balanced.[71] The CJEU thus seemed to consider that such a radical reworking of the InfoSoc catalogue would be too

65 See, *e.g.*, Xalabarder (2016), p. 635, and Deursen & Snijders (2018), p. 1088. For an empirical study on this matter, see Rendas (2018).

66 Proposals for an EU-tailored fair use clause include, *e.g.,* Poeppel (2005); Griffiths (2010); Kleinemenke (2013); and Geiger & Izyumenko (2019b). Other scholars have advocated the introduction of a flexible provision modelled after the three-step test: see, *inter alia*: Senftleben (2004); Koelman (2006); Geiger, Griffiths & Hilty (2008); Christie (2011); and Hugenholtz & Senftleben (2011).

67 Or for another chapter in this volume – *see* William Patry's contribution *infra* Chapter 16.

68 CJEU, *Soulier & Doke*, at [26] and [34]; CJEU, *ITV Broadcasting II*, at [24]–[27]; and CJEU, *Renckhoff*, at [16]. Some scholars prefer to describe the catalogue as "quasi-exhaustive", due to the effects of the grandfather clause enshrined in Article 5(3)(o): see Ramalho (2016), p. 166.

69 CJEU, *Funke Medien*, at [62]; CJEU, *Pelham*, at [63]; and CJEU, *Spiegel Online*, at [47].

70 CJEU, *Funke Medien*, at [63]; CJEU, *Pelham*, at [64]; and CJEU, *Spiegel Online*, at [48].

71 CJEU, *Funke Medien*, at [58]; CJEU, *Pelham*, at [60]; and CJEU, *Spiegel Online*, at [43].

far removed from the state of the law to be compatible with the goal of harmonization and the related principle of legal certainty.

In his Opinion on this specific question, AG Maciej Szpunar was less stringent.[72] In *Pelham* and *Spiegel Online*, in considering the possibility of opening the closed catalogue of Article 5 through the application of an external exception grounded on freedom of expression and information, the AG emphasized that, *in general*, it is not for the CJEU or national courts to create *ad hoc* exceptions for uses not covered by the catalogue.[73] Such external exceptions could only be applied in "exceptional cases" where a "gross violation of the essence of a fundamental right" was at stake.[74] In both *Pelham* and *Spiegel Online*, however, the AG refused to propose the adoption of such an exceptional solution in the underlying case, thus negating the availability of a defense directly based on a fundamental freedom and not grounded in a listed exception.[75]

Enforcement

Finally, fundamental rights and freedoms have been invoked by the CJEU to scrutinize enforcement measures in cases of copyright infringement. Whereas copyright's fundamental status under Article 17(2) of the Charter entails that Member States are required to establish effective enforcement mechanisms, such mechanisms have been examined in light of a variety of users' fundamental rights in several preliminary rulings.

These rulings have essentially concerned two types of measures directed at intermediaries:[76] injunctions to obtain information on the origin and distribution networks of copyright infringing materials, under the right of information provided in Article 8 of the Enforcement Directive, and blocking/filtering injunctions against Internet service providers (ISPs) whose services have been used for copyright infringement, under Article 8(3) of the InfoSoc Directive and Article 11 of the Enforcement Directive.

Disclosure injunctions

Article 8(1) of the Enforcement Directive obliges Member States to ensure that, in the context of proceedings on the infringement of IP rights and following a justified and proportionate request, courts are in a position to order infringers or certain persons related to the infringement

72 As a side note, it must be pointed out that, while the CJEU analyzed exhaustiveness from the perspective of the freedom available to national *legislators*, the AG, in his Opinion, referred to the possibility of *judges* deciding cases on the basis of *ad hoc* exceptions.

73 AG Opinion, *Pelham*, at [98], and AG Opinion, *Spiegel Online*, at [63]. Of course, there are very good reasons related to democratic deference to generally deny courts such a role. See, in this regard, Ohly (2013), p. 160.

74 AG Opinion, *Pelham*, at [90]–[99], and AG Opinion, *Spiegel Online*, at [62]. Similarly, in *Funke Medien*, the AG admitted that, despite the fact that the internal mechanism of exceptions may in most cases be sufficient to reconcile the different interests involved, "there may be exceptional cases where copyright […] must yield to an overriding interest relating to the implementation of a fundamental right or freedom" (at [40]). The AG also advocated that, in spite of the optional character of the vast majority of InfoSoc exceptions, the failure by domestic legislatures to implement some of them, notably the ones grounded on freedom of expression, may be considered incompatible with the Charter: AG Opinion, *Pelham*, at [77].

75 AG Opinion, *Pelham*, at [96], and AG Opinion, *Spiegel Online*, at [68]. On the opinions handed down by AG Szpunar in these cases, see: Geiger & Izyumenko (2019a); Griffiths (2019); Jongsma (2019); Jütte & Quintais (2019); and Rendas (2019).

76 For a book-length account on the role of injunctions against innocent intermediaries in the EU, *see* Husovec (2017).

to provide information on the origin and distribution of infringing goods or services. This right of information, by enabling rightholders to identify infringers and take the necessary steps to defend their rights, has been held by the CJEU as being a specific expression of the fundamental right to an effective remedy (Article 47 of the Charter) and a necessary instrument for the purpose of guaranteeing the exercise of the fundamental right to IP.[77]

In *Promusicae* – the first judgment that recognized the horizontal effect of fundamental rights in EU copyright law[78] – the CJEU was asked whether EU secondary legislation, in particular, the E-commerce,[79] InfoSoc and Enforcement Directives, *required* Member States to lay down an obligation upon ISPs to communicate their clients' personal data in the context of civil proceedings, in order to ensure the effective protection of copyright. In the national proceedings, Promusicae, a non-profit organization representing producers and publishers of musical and audiovisual recordings, sought an injunction requiring Telefónica, a Spanish ISP, to be ordered to disclose the identities and physical addresses of clients who, according to Promusicae, used KaZaA to illegally share its members' phonograms. The clash between fundamental rights was evident: whereas the right to the protection of private life and the right to personal data militated against the disclosure of the data, the rights to IP and to an effective remedy pointed in the opposite direction.[80, 81]

The Court held that the mentioned directives do not require Member States to provide for such an obligation (but also do not preclude them from doing so), thus implicitly concluding that an interpretation of EU law that exempts Member States from providing such an obligation *does not* lead to an infringement of the rights to IP and to an effective remedy.[82] Importantly, the Court went on to state, in generalizing terms, that EU law requires not only that Member States must strike a fair balance between the various fundamental rights protected in the EU when transposing those directives, but also that national courts, in pursuing their interpretative job, must make sure that they do not rely on an interpretation which would be in conflict with such rights.[83]

In *Bonnier Audio*, which concerned the same type of disclosure obligations, the CJEU applied the fair balance test to uphold Swedish legislation that laid down an obligation to communicate personal data in the context of civil proceedings. The Court ruled that the national scheme that was in place enabled the deciding court to adequately balance the conflicting fundamental rights, in that it required that (i) there be clear evidence of an infringement of an IP right, (ii) the information can be regarded as facilitating the investigation and (iii) the

77 *See* CJEU, *Coty Germany*, at [29]; CJEU, *New Wave*, at [25] (the national proceedings in both cases involved trademark, not copyright, infringements); CJEU, *Constantin Film*, at [35].

78 The case has thus been described by commentators as "something of a breakthrough" – Griffiths (2017), p. 4.

79 Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market, OJ L 178, 17.7.2000, pp. 1–16 (E-commerce Directive).

80 CJEU, *Promusicae*, at [65].

81 The balance between these rights is also at the center of the pending preliminary reference in *Mircom v. Telenet* (C-597/19). Mircom is the contractual holder of certain rights over pornographic films produced by Canadian and US companies. While Mircom does not exploit the rights, it claims damages from alleged infringers, part of which are then repaid to the film producers. Mircom sought a court order requiring Belgian ISP Telenet to disclose the names and addresses of thousands of Telenet's customers who had shared films from Mircom's catalogue via a P2P network. The Belgian court asked the CJEU, *inter alia*, whether these specific circumstances are relevant when assessing the fair balance to be struck between the enforcement of IP rights and the Charter rights to private life and to the protection of personal data.

82 CJEU, *Promusicae*, at [70].

83 *Ibid*., at [68].

reasons for the measure outweigh the nuisance or other harm, which the measure may entail for the person affected by it or for some other opposing interest.[84]

Finally, it is also worth mentioning the recent judgment in *Constantin Film v. YouTube* (C-264/19). The case originated from a dispute between Constantin Film, a German movie distributor, and YouTube/Google, which refuses to provide the former with certain information about users who had uploaded several films in breach of copyright, specifically their email addresses, telephone numbers and IP addresses. The referring court (the BGH) asked, in essence, whether such information was covered by Article 8(2)(a) of the Enforcement Directive, according to which the competent judicial authorities may order the disclosure of the "names and addresses" of certain categories of persons who have a connection with the infringing materials.

In his Opinion on the case, AG Saugmandsgaard Øe advised the Court to answer the question in the negative. While recognizing that the Enforcement Directive seeks to ensure a high level of protection of IP, the AG highlighted that this instrument, and Article 8 in particular, seeks to strike a balance between the interests of rightholders and users, as well as the public interest. In assessing that balance, the AG stated that Article 17(2) of the Charter does not require that all available technical means be used to assist the rightholder in identifying possible infringers and that the protection of IP should not hinder the protection of personal data guaranteed in Article 8 of the Charter.[85] In the AG's view, to adopt Constantin Film's interpretation of Article 8(2)(a) of the Enforcement Directive "would be tantamount to the Court (…) upsetting the balance that was struck by the EU legislature", thus illegitimately invading the latter's competence.[86] The judges essentially agreed with the AG, confirming that an interpretation according to which the concept of "address" only covers the postal address is consistent with the fair balance that must be achieved between the right of holders to information and the right of users to the protection of their personal data.[87]

Blocking and filtering injunctions

As also discussed in Chapters 18 and 19, in recent times, rightholders have been applying for injunctive orders against non-infringing online intermediaries, requesting them to prevent or stop copyright infringing activities committed by their users.[88] This enforcement strategy emerges from the recognition that such intermediaries are often the best-placed entities to terminate these activities.[89] As a result, Member State courts have been issuing blocking and filtering injunctions against intermediaries whose websites or networks are used by third parties to engage in copyright infringement. The legal basis for the issuance of such measures within EU law can be found in Article 11 of the Enforcement Directive (regarding all IP rights) and Article 8(3) of the InfoSoc Directive

84 CJEU, *Bonnier Audio*, at [57]–[60].
85 AG Opinion, *Constantin Film*, at [49]–[56].
86 *Ibid*., at [43] and [59].
87 CJEU, *Constantin Film*, at [34]–[38].
88 On the tension between online intermediary liability and fundamental rights, with a focus on the European legal framework, see Geiger, Frosio & Izyumenko (2020). See also Geiger & Izyumenko (2020).
89 Recital 59 of the InfoSoc Directive.

(regarding copyright).[90] It is in this context that the CJEU has been faced with questions on the admissibility of certain blocking and filtering orders *vis-à-vis* the EU fundamental rights framework.

In *Scarlet*, the Court was asked whether EU law allowed for an injunction imposed on an ISP to introduce a system for filtering (i) all electronic communications, in particular, through P2P networks, (ii) which applied indiscriminately to all its customers, (iii) as a preventive measure, (iv) exclusively at its expense (v) and for an unlimited period. After holding that IP is not an unlimited fundamental right and that it must, as such, be balanced against the protection of the rights of individuals who are affected by enforcement measures, the Court ruled – in rather succinct reasoning – that the contested measure failed to promote the legendary fair balance.[91]

First, the complicated, costly and permanent character of the filtering system would lead to a "serious infringement" of the ISP's freedom to conduct a business.[92] Later, in *Coty Germany*, the Court built on this statement and clarified that a measure that results in a serious infringement of *any* right protected by the Charter is incapable of attaining a fair balance.[93]

Second, a system of that kind would violate two users' rights: (i) the right to the protection of personal data (Article 8 of the Charter), since the system would involve a systematic analysis of all content and the collection and identification of users' IP addresses from which unlawful content on the network is sent, and (ii) their freedom to receive and impart information (Article 11), because the system might not distinguish adequately between lawful and unlawful content, with the result that its introduction could lead to the blocking of lawful communications.[94]

In *Netlog*, a case regarding the imposition of a similar blanket filtering system against a hosting provider (an online social networking platform), the Court employed the same arguments to reach an identical conclusion.[95]

Compared to *Scarlet* and *Netlog*, *UPC Telekabel* provided a somewhat more detailed reasoning. The case concerned the admissibility of an injunction ordering an ISP to block access to an infringing website, without specifying exactly which measures should be taken in order to avoid coercive penalties, but allowing it to escape liability by proving to have adopted all reasonable measures. The Court started by pointing out that, while such an open-ended or outcome-oriented blocking injunction would restrict the ISP's freedom to conduct a business, it did not infringe the *very substance* of that freedom, since the ISP remained free to determine the specific measures that were best adapted to its resources and abilities. On top of that, the injunction allowed the ISP to avoid liability by proving that it took all measures that were considered reasonable.[96] This approach of determining, as a first step, whether an

90 See also Article 12(3) and Recital 45 of the E-Commerce Directive.

91 CJEU, *Scarlet*, at [43]–[53].

92 *Ibid*., at [48].

93 CJEU, *Coty Germany*, at [35].

94 CJEU, *Scarlet*, at [50]–[52]. The risk of over-blocking has been one of the core arguments against the new obligations imposed on online content-sharing platforms by Article 17 of the DSM Directive. For criticism made during the legislative procedure, see, amongst many others, Angelopoulos (2017) and Rendas (2017b).

95 CJEU, *Netlog*, at [26]–[52].

96 CJEU, *UPC Telekabel*, at [50]–[53].

enforcement measure breaches the essence of a fundamental right[97] was confirmed in two subsequent cases: *Mc Fadden*[98] and *Bastei Lübbe*.[99, 100]

Notwithstanding the injunction's compliance with the freedom of business, ISPs, in adopting measures of this kind, must ensure respect for their users' freedom of information. In assessing whether that is the case, national courts must engage in a proportionality assessment: they have to determine whether the measures are *appropriate* (they must have the effect of "preventing unauthorised access" or of "making it difficult" to access the infringing works), *necessary* (they must "not unnecessarily deprive internet users of the possibility of lawfully accessing the information available") and *strictly targeted* (they must serve to bring the infringement to an end without thereby affecting users' lawful activities).[101] EU law will not preclude a blocking injunction such as the one at issue in the national proceedings, provided that it complies with these proportionality requirements, that of course being a matter for national courts to assess.[102]

Conclusion

As suggested by the CJEU's use of the Charter over the past few years, copyright law is an especially fertile field for fundamental rights-based argumentation. As outlined in the preceding sections, an array of rights safeguarded by the Charter have been invoked by

97 On the absolute and relative theories of the essence of fundamental rights as applied to IP rights, see Husovec (2019).

98 In *Mc Fadden*, the Court considered the admissibility of injunctions applied to a shop owner that offered free Wi-Fi connection to its clients with the purpose of preventing third parties from using that connection for copyright infringement purposes. The only measures that the addressee of the injunction could in practice adopt consisted in (i) terminating the connection, (ii) password-protecting it or (iii) examining all communications passing through it (at [80] and [85]–[86]). The injunction obliging the shop owner to password-protect the connection was deemed not to violate the essence of the freedom to conduct a business of the shop owner and the freedom of information of the recipients of the Internet access service (at [90]–[92]). The Court then moved to the second stage, assessing whether the measure was adequate, necessary and strictly targeted, eventually reaching the conclusion that the measure passed such proportionality test (paras. 93–100).

99 The question in *Bastei Lübbe* regarded the compatibility with EU law of the possibility, provided in German law, of the owner of an Internet connection used for copyright infringement to be excluded from liability to pay damages if he or she could name at least one family member who, besides him or her, might have had access to that connection, without providing further details as to when and how the Internet was used by that family member. Specifically, the question was whether the sanctions are still "effective" and "dissuasive" as required by Article 8(1)–(2) of the InfoSoc Directive and Article 3(2) of the Enforcement Directive (at [37]). The Court concluded that there is no fair balance between the enforcement of IP and the right to private and family life where national law makes it impossible for the applicant to obtain evidence relating to the opposing party's family members and thus to prove the alleged copyright infringement and who was responsible for it. Such level of protection afforded to the family members of the owner of the Internet connection – an almost absolute protection – translates to a serious infringement of the fundamental rights to an effective remedy and to IP (at [44]–[52]).

100 Prior to *UPC Telekabel*, *see* CJEU, *Sky Österreich*, at [30]–[68] (following a more structured and detailed proportionality analysis to assess the compatibility of Article 15(6) of Directive 2010/13/EU of the European Parliament and of the Council of 10 March 2010 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services, OJ L 95, 15.4.2010, p. 1–24) with Articles 16 and 17 of the Charter).

101 CJEU, *UPC Telekabel*, at [55]–[63].

102 CJEU, *UPC Telekabel*, at [64].

the Court in the context of the interpretation of different aspects of EU copyright law, most notably the scope of protection, exceptions and enforcement mechanisms.

Taken as a whole, what emerges from the decisions cited throughout this chapter is that courts, in construing copyright law within the EU, are under a duty to seek guidance in fundamental rights norms, particularly in the provisions of the Charter. But while these rights may influence private copyright law disputes, they do not directly govern them. They have, in constitutional theory parlance, a merely indirect horizontal effect.[103] The starting point for courts is thus to search for the solution to a concrete case within copyright provisions and their duty will be fulfilled if, in interpreting and applying those provisions, they take into account the values embodied in the relevant fundamental rights, even if only cursorily or implicitly.

Despite the rising trend at the CJEU level of analyzing horizontal copyright disputes from the angle of fundamental rights, the role that such rights play in the EU copyright case law remains somewhat superficial, not least because of the Court's typically minimalist style of reasoning.[104] More often than not, the Court identifies the fundamental rights in need of reconciliation, but fails to shed sufficient light on the normative criteria that ought to guide the balancing exercise.

Change is certainly in the air, however: fundamental rights are increasingly employed as important argumentative anchors and, in some cases, seem to have played a truly determinative role in the outcome reached by the CJEU. Although the Court's "cryptic" style is not expected to change anytime soon, its interpretation of the copyright *acquis* will be dominated more and more by references to fundamental rights and by the "fair balance" paradigm.

103 The doctrine of indirect horizontal effect entails that private parties in a dispute may invoke their fundamental rights against the court *qua* law-interpreter, which ought to construe the relevant ordinary law in respect of fundamental rights standards. Commonly regarded as having been founded by the German Federal Constitutional Court (BVerfG) in the famous *Lüth* case, the doctrine of indirect horizontal effect has been recognized by most European countries.

The appeal to fundamental rights in a private legal dispute may come in a different shape. The rights may be invoked as having direct horizontal effects, meaning that they are directly operative against private actors, offering the possibility of bringing a claim grounded on the norms in which such rights are vindicated. To give an example, in the Dutch case *Scientology*, journalist Karin Spaink successfully invoked her freedom of expression under Article 10 of the ECHR as a defense against copyright infringement for having posted documents of the Church of Scientology on her website – see Court of Appeal of The Hague, *Scientology*. For further references, see Geiger & Izyumenko (2019b), fn. 35. This, however, seems to be a "marginal trend", not least because the doctrine of direct horizontal effect is generally rejected by national and supranational fundamental rights instruments: Guibault (1998), p. 44. On the horizontal effect of fundamental rights in the EU, in general, see Frantziou (2019).

104 *See, e.g.*, Weiler (2001), p. 224 (calling the CJEU's style "cryptic" and "Cartesian"); Perju (2009), p. 310 (noting that "[i]ts justificatory style has often been criticized as overly abstract, vague, and elliptical"); and Búrca (2013), p. 184 (describing the Court's discourse as "self-referential and detached").

References

Angelopoulos, Christina (2017), On Online Platforms and the Commission's New Proposal for a Directive on Copyright in the Digital Single Market, https://papers.ssrn.com/ (last accessed 19 July 2020)

Búrca, Gráinne de (2013), After the EU Charter of Fundamental Rights: The Court of Justice as a Human Rights Adjudicator? 20 Maastricht Journal of European and Comparative Law 168

Christie, Andrew (2011), Maximising Permissible Exceptions to Intellectual Property Rights, in Annette Kur & Vytautas Mizaras (eds.), The Structure of Intellectual Property Law: Can One Size Fit All? 121 (Edward Elgar)

Deursen, Stijn van & Snijders, Thom (2018), The Court of Justice at the Crossroads: Clarifying the Role for Fundamental Rights in the EU Copyright Framework, 49(9) IIC – International Review of Intellectual Property and Competition Law 1080

Frantziou, Eleni (2019), The Horizontal Effect of Fundamental Rights in the European Union: A Constitutional Analysis (OUP)

Geiger, Christophe (2006), Constitutionalising Intellectual Property Law? The Influence of Fundamental Rights on Intellectual Property in Europe, 37 IIC – International Review of Intellectual Property and Competition Law 371

Geiger, Christophe (2009), Intellectual Property Shall be Protected?! Article 17(2) of the Charter of Fundamental Rights of the European Union: A Mysterious Provision with an Unclear Scope, 31(3) European Intellectual Property Review 113

Geiger, Christophe (2020), Reconceptualizing the Constitutional Dimension of Intellectual Property – An Update, in Paul Torremans (ed.), Intellectual Property and Human Rights (Kluwer Law International)

Geiger, Christophe; Frosio, Giancarlo & Izyumenko, Elena (2020), Intermediary Liability and Fundamental Rights, in Giancarlo Frosio (ed.), The Oxford Handbook of Online Intermediary Liability (OUP)

Geiger, Christophe; Griffiths, Jonathan & Hilty, Reto (2008), Declaration on a Balanced Interpretation of the "Three-Step Test" in Copyright Law, 39(6) IIC – International Review of Intellectual Property and Competition Law 707

Geiger, Christophe & Izyumenko, Elena (2014), Copyright on the Human Rights' Trial: Redefining the Boundaries of Exclusivity Through Freedom of Expression, 45 IIC – International Review of Intellectual Property and Competition Law 316

Geiger, Christophe & Izyumenko, Elena (2018), Intellectual Property before the European Court of Human Rights, in Christophe Geiger, Craig A. Nard & Xavier Seuba (eds.), Intellectual Property and the Judiciary 9 (Edward Elgar)

Geiger, Christophe & Izyumenko, Elena (2019a), Freedom of Expression as an External Limitation to Copyright Law in the EU: The Advocate General of the CJEU Shows the Way, 41(3) European Intellectual Property Review 131

Geiger, Christophe & Izyumenko, Elena (2019b), Towards a European "Fair Use" Grounded in Freedom of Expression, Centre for International Intellectual Property Studies Research Paper No. 02–19, https://www.ssrn.com/

Geiger, Christophe & Izyumenko, Elena (2019c), The Constitutionalization of Intellectual Property Law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, But Still Some Way to Go!, Centre for International Intellectual Property Studies Research Paper No. 09–19, https://www.ssrn.com/

Geiger, Christophe & Izyumenko, Elena (2020), Blocking Orders: Assessing Tensions with Human Rights, in Giancarlo Frosio (ed.), The Oxford Handbook of Online Intermediary Liability (OUP)

Griffiths, Jonathan (2010), Unsticking the Centre-piece – The Liberation of European Copyright Law? 1 JIPITEC 87

Griffiths, Jonathan (2013), Constitutionalising or Harmonising? The Court of Justice, the Right to Property and European Copyright Law, 38 European Law Review 65

Griffiths, Jonathan (2017), Taking Power Tools to the Acquis – The Court of Justice, the Charter of Fundamental Rights and European Union Copyright Law, https://papers.ssrn.com/

Griffiths, Jonathan (2019), European Union Copyright Law and the Charter of Fundamental Rights – Advocate General Szpunar's Opinions in (C-469/17) Funke Medien, (C-476/17) Pelham GmbH and (C-516/17) Spiegel Online, ERA Forum 1

Griffiths, Jonathan & McDonagh, Luke (2013), Fundamental Rights and European IP Law: The Case of Art 17(2) of the EU Charter, in Christophe Geiger (ed.), Constructing European Intellectual Property: Achievements and New Perspectives 75 (Edward Elgar)

Guibault, Lucie (1998), Limitations Found Outside Copyright Law, in Libby Baulch, Michael Green & Mary Wyburn (eds.), ALAI Study Days: The Boundaries of Copyright: Its Proper Limitations and Exceptions 42 (Australian Copyright Council)

Hugenholtz, P. Bernt (2001), Copyright and Freedom of Expression in Europe, in Rochelle Dreyfuss, Diane Zimmerman & Harry First (eds.), Expanding the Boundaries of Intellectual Property: Innovation Policy for the Knowledge Society 343 (OUP)

Hugenholtz, P. Bernt & Senftleben, Martin, Fair Use in Europe: In Search of Flexibilities (2011), Amsterdam Law School Research Paper n.º 2012–39 / Institute for Information Law Research Paper n.º 2012–33, https://papers.ssrn.com/ (last accessed 19 July 2020)

Husovec, Martin (2017), Injunctions against Intermediaries in the European Union: Accountable but not Liable? (CUP)

Husovec, Martin (2019), The Essence of Intellectual Property Rights under Article 17(2) of the EU Charter, 20(6) German Law Journal 840

Izyumenko, Elena (2016), The Freedom of Expression Contours of Copyright in the Digital Era: A European Perspective, 19 The Journal of World Intellectual Property 115

Jehoram, Herman Cohen (2005), Restrictions on Copyright and their Abuse, 27(10) European Intellectual Property Review 359

Jongsma, Daniël (2019), AG Szpunar on Copyright's Relation to Fundamental Rights: One Step Forward and Two Steps Back? IPRinfo 1/2019, https://iprinfo.fi/ (last accessed 19 July 2020)

Jütte, Bernd Justin & Quintais, João Pedro (2019), Advocate General Turns Down the Music – Sampling is Not a Fundamental Right under EU Copyright Law, 41(10) European Intellectual Property Review 654

Jütte, Bernd Justin (2016), The Beginning of a (Happy?) Relationship: Copyright and Freedom of Expression in Europe, 38(1) European Intellectual Property Review 11

Kleinemenke, Manuel (2013), Fair Use, Dreistufentest und Schrankenkatalog: Plädoyer für ein „Kombinationsmodell" zur Flexibilisierung der urheberrechtlichen Schrankenbestimmungen, 5(1) ZGE – Zeitschrift für geistiges Eigentum 103

Koelman, Kamiel J. (2006), Fixing the Three-Step Test, 8 European Intellectual Property Review 407

Leistner, Matthias (2011), The German Federal Supreme Court's Judgment on Google's Image Search – A Topical Example of the "Limitations" of the European Approach to Exceptions and Limitations, 42 IIC – International Review of Intellectual Property and Competition Law 417

Lucas, André & Ginsburg, Jane C. (2016), Copyright, Freedom of Expression and Free Access to Information (Comparative Study of American and European Law), 249 Revue Internationale du Droit d'Auteur 5

Micklitz, Hans (2014) (ed.), Constitutionalization of European Private Law (OUP)

Mylly, Tuomas (2015), The Constitutionalization of the European Legal Order: Impact of Human Rights on Intellectual Property In The EU, in Christophe Geiger (ed.), Research Handbook on Human Rights and Intellectual Property 103 (Edward Elgar)

Ohly, Ansgar (2013), European Fundamental Rights and Intellectual Property, in Ansgar Ohly & Justine Pila (eds.), The Europeanization of Intellectual Property Law: Towards a European Legal Methodology 145 (OUP)

Perju, Vlad (2009), Reason and Authority in the European Court of Justice, 49 Virginia Journal of International Law 307

Peukert, Alexander (2015), The Fundamental Right to (Intellectual) Property and the Discretion of the Legislature, in Christophe Geiger (ed.), Research Handbook on Human Rights and Intellectual Property 132 (Edward Elgar)

Poeppel, Jan (2005), Die Neuordnung der urheberrechtlichen Schranken im digitalen Umfeld (V&R unipress)

Quintais, João Pedro (2017), Copyright in the Age of Online Access: Alternative Compensation Systems in EU Law (Kluwer Law International)

Ramalho, Ana Bárbara (2016), The Competence of the European Union in Copyright Lawmaking: A Normative Perspective of EU Powers for Copyright Harmonization (Springer)
Rendas, Tito (2017a), How Playboy Photos Compromised EU Copyright Law: The GS Media Judgment, 20(11) Journal of Internet Law 11
Rendas, Tito (2017b), Form and Substance in the Value Gap Proposal, in Julia Reda (ed.), Better Regulation for Copyright: Academics Meet Policymakers 39 (The Greens/EFA)
Rendas, Tito (2018), Copyright, Technology and the CJEU: An empirical study, 49(2) IIC – International Review of Intellectual Property and Competition Law 153
Rendas, Tito (2019), Advocate General Szpunar in Spiegel Online (or why we need fair use in the EU), 14(4) Journal of Intellectual Property Law & Practice 265
Rosati, Eleonora (2015), Just a Laughing Matter? Why the Decision in Deckmyn is Broader than Parody, 52(2) Common Market Law Review 511
Rosati, Eleonora (2017), GS Media and its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture, 54(4) Common Market Law Review 1221
Schovsbo, Jens (2015), Constitutional Foundations and Constitutionalization of IP Law – A Tale of Different Stories?, 7(4) ZGE – Zeitschrift für geistiges Eigentum 383
Schricker, Gerhard (1997), Urheberrecht auf dem Weg zur Informationsgesellschaft (Nomos)
Senftleben, Martin (2004), Copyright, Limitations and the Three-Step Test: An Analysis of the Three-Step Test in International and EC Copyright Law (Kluwer Law International)
Senftleben, Martin (2013), Breathing Space for Cloud-Based Business Models: Exploring the Matrix of Copyright Limitations, Safe Harbours and Injunctions, 4(2) JIPITEC 87
Senftleben, Martin (2016), Copyright Reform, GS Media and Innovation Climate in the EU – Euphonious Chord or Dissonant Cacophony? AMI – tijdschrift voor auteurs-, media- en informatierecht 130
Sganga, Caterina (2019) A Decade of Fair Balance Doctrine, and How to Fix It: Copyright versus Fundamental Rights before the CJEU from Promusicae to Funke Medien, Pelham and Spiegel Online, 11(41) European Intellectual Property Review 683
Snijders, Thom & Deursen, Stijn van (2019), The Road Not Taken – The CJEU Sheds Light on the Role of Fundamental Rights in the European Copyright Framework – A Case Note on the Pelham, Spiegel Online and Funke Medien Decisions, 50 IIC – International Review of Intellectual Property and Competition Law 1176
Torremans, Paul (2008), Copyright (and Other Intellectual Property Rights) as a Human Right, in Paul Torremans (ed.), Intellectual Property and Human Rights 195 (Kluwer Law International)
Weiler, Joseph H. H. (2001), The Judicial Après Nice, in Gráinne de Búrca & Joseph H. H. Weiler (eds.), The European Court of Justice 215 (OUP)
Xalabarder, Raquel (2016), The Role of the CJEU in Harmonizing EU Copyright Law,47 IIC – International Review of Intellectual Property and Competition Law 635

Case law

CJEU judgments and orders

ACI Adam: Case C-435/12, ACI Adam BV and Others v. Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding, 10.04.2014, ECLI:EU:C:2014:254
Bastei Lübbe: Case C-149/17, Bastei Lübbe GmbH & Co. KG v. Michael Strotzer, 18.10.2018, ECLI:EU:C:2018:841
Beuttenmüller: Case C-102/02, Ingeborg Beuttenmüller v Land Baden-Württemberg, 29.04.2004, ECLI:EU:C:2004:264
Bonnier Audio: Case C-461/10, Bonnier Audio AB and Others v. Perfect Communication Sweden AB, 19.04.2012, ECLI:EU:C:2012:219
Commission v. France: Case C-479/13, European Commission v French Republic, 05.03.2015, ECLI:EU:C:2015:141
Commission v. Ireland: Case C-175/05, Commission of the European Communities v. Ireland, 11.01.2007, ECLI:EU:C:2007:13
Commission v. Portugal: Case C-53/05, Commission of the European Communities v Portuguese Republic, 06.07.2006, ECLI:EU:C:2006:448

Commission v. Spain: Case C-36/05, Commission of the European Communities v. Kingdom of Spain, 26.10.2006, ECLI:EU:C:2006:672
Constantin Film: Case C-264/19, Constantin Film Verleih GmbH v. YouTube, LLC and Google, Inc., 09.07.2020, ECLI:EU:C:2020:542
Copydan Båndkopi: Case C-463/12, Copydan Båndkopi v. Nokia Danmark A/S, 05.03.2015, ECLI:EU:C:2015:144
Coty Germany: Case C-580/13, Coty Germany GmbH v. Stadtsparkasse Magdeburg, 16.07.2015, ECLI:EU:C:2015:485
Deckmyn: Case C-201/13, Johan Deckmyn and Vrijheidsfonds VZW v. Helena Vandersteen and Others, 03.09.2012, ECLI:EU:C:2014:2132
DR/TV2 Danmark: Case C-510/10, DR and TV2 Danmark A/S v. NCB–Nordisk Copyright Bureau, 26.04.2012, ECLI:EU:C:2012:244
Funke Medien: Case C-469/17, Funke Medien NRW GmbH v Bundesrepublik Deutschland, 29.07.2019, ECLI:EU:C:2019:623
GS Media: Case C-160/15, GS Media BV v. Sanoma Media Netherlands BV and Others, 08.09.2016, ECLI:EU:C:2016:644
Infopaq I: Case C-5/08, Infopaq International A/S v. Danske Dagblades Forening, 16.07.2009, ECLI:EU:C:2009:465
Infopaq II: Case C-302/10, Infopaq International A/S v. Danske Dagblades Forening, 17.01.2012, ECLI:EU:C:2012:16
ITV Broadcasting II: Case C-275/15, ITV Broadcasting Limited and others v. TVCatchup Limited and others, 01.03.2017, ECLI:EU:C:2013:144
Laserdisken: Case C-479/04, Laserdisken ApS v. Kulturministeriet, 12.09.2006, ECLI:EU:C:2006:549
Luksan: Case C 277/10, Martin Luksan v. Petrus van der Let, 09.02.2012, ECLI:EU:C:2012:65
Mc Fadden: Case C-484/14, Tobias Mc Fadden v. Sony Music Entertainment Germany GmbH, 15.09.2016, ECLI:EU:C:2016:689
Metronome Musik: Case C-200/96, Metronome Musik GmbH v. Music Point Hokamp GmbH, 28.04.1998, ECLI:EU:C:1998:172
Netlog: Case C-360/10, Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v. Netlog NV, 16.02.2012, ECLI: EU:C:2012:85
New Wave: Case C-427/15, New Wave CZ, a.s. v. ALLTOYS, spol. s r.o., 18.01.2017, ECLI:EU:C:2017:18
Oude Luttikhuis: C-399/93, H. G. Oude Luttikhuis and others v. Verenigde Coöperatieve Melkindustrie Coberco BA, 12.12.1995, ECLI:EU:C:1995:434
Painer: Case C-145/10, Eva-Maria Painer v. Standard VerlagsGmbH and Others, 01.12.2011, ECLI:EU:C:2011:798
Parliament v. Council: Case C-540/03, European Parliament v. Council of the European Union, 27.06.2006, ECLI:EU:C:2006:429
Pelham: Case C-476/17, Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben, 29.07.2019, ECLI:EU:C:2019:624
PRCA: Case C-360/13, Public Relations Consultants Association Ltd v. Newspaper Licensing Agency Ltd and Others, 05.06.2014, ECLI:EU:C:2014:1195
Premier League: Joined Cases C-403/08 and C-429/08, Football Association Premier League Ltd and Others v. QC Leisure and Others (C-403/08) and Karen Murphy v. Media Protection Services Ltd (C-429/08), 04.10.2011, ECLI:EU:C:2011:631
Promusicae: Case C-275/06, Productores de Música de España (Promusicae) v. Telefónica de España SAU, 29.01.2008, ECLI:EU:C:2008:54
Ranks & Vasiļevičs: Case C-166/15, Aleksandrs Ranks and Jurijs Vasiļevičs v. Finanšu un ekonomisko noziegumu izmeklešanas prokoratura and Microsoft Corp., 12.10.2016, ECLI:EU:C:2016:762
Renckhoff: Case C-161/17, Land Nordrhein-Westfalen v. Dirk Renckhoff, 07.08.2018, ECLI:EU:C:2018:634
Reprobel: Case C-572/13, Hewlett-Packard Belgium SPRL v. Reprobel SCRL, 12.11.2015, ECLI:EU:C:2015:750
Scarlet: Case C-70/10, Scarlet Extended SA v. Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM), 24.11.2011, ECLI:EU:C:2011:771
SDC v Skatteministeriet: Case C-2/95, Sparekassernes Datacenter (SDC) v Skatteministeriet, 05.06.1997, ECLI:EU:C:1997:278

SGAE: Case C-306/05, Sociedad General de Autores y Editores de España (SGAE) v. Rafael Hoteles SA, 07.12.2006, ECLI:EU:C:2006:764
Sky Österreich: Case C-283/11, Sky Österreich GmbH v. Österreichischer Rundfunk, 22.01.2013, ECLI:EU:C:2013:28
Soulier & Doke: Case C-301/15, Marc Soulier and Sara Doke v. Premier ministre and Ministre de la Culture et de la Communication, 16.11.2016, ECLI:EU:C:2016:878
Spiegel Online: Case C-516/17, Spiegel Online GmbH v. Volker Beck, 29.07.2019, ECLI:EU:C:2019:625
Stichting Uitvoering Financiële Acties: Case C-348/87, Stichting Uitvoering Financiële Acties v. Staatssecretaris van Financiën, 15.06.1989, ECLI:EU:C:1989:246
UPC Telekabel: Case C-314/12, UPC Telekabel Wien GmbH v. Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft GmbH, 27.03.2014, ECLI:EU:C:2014:192
VCAST: Case C-265/16, VCAST Limited v. RTI SpA, 29.11.2017, ECLI:EU:C:2017:913
VOB: Case C-174/15, Vereniging Openbare Bibliotheken v. Stichting Leenrecht, 10.11.2016, ECLI:EU:C:2016:856

AG Opinions

Constantin Film: Opinion of AG Saugmandsgaard Øe in Case C-264/19, *Constantin Film Verleih GmbH v. YouTube LLC, Google Inc.*, 02.04.2020, ECLI:EU:C:2020:261
Funke Medien: Opinion of AG Szpunar in Case C-469/17, *Funke Medien NRW GmbH v Bundesrepublik Deutschland*, 25.10.2018, ECLI:EU:C:2018:870
Pelham: Opinion of AG Szpunar in Case C-476/17, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, 12.12.2018, ECLI:EU:C:2018:1002
Renckhoff: Opinion of AG Sánchez-Bordona in Case C-161/17, *Land Nordrhein-Westfalen v. Dirk Renckhoff*, 25.04.2018, ECLI:EU:C:2018:279
Spiegel Online: Opinion of AG Szpunar in Case C-516/17, *Spiegel Online GmbH v. Volker Beck*, 10.01.2019, ECLI:EU:C:2019:16

European Court of Human Rights (ECtHR)

Ashby Donald: *Ashby Donald and others v. France* (Application no. 36769/08), 10.01.2013, ECLI:CE:ECHR:2013:0110JUD003676908
The Pirate Bay: *Fredrik Neij and Peter Sunde Kolmisoppi (The Pirate Bay) v. Sweden* (Application no. 40397/12), 19.02.2013, ECLI:CE:ECHR:2013:0219DEC004039712

National case law

BGH, I ZR 228/15, 30.04.2020
BVerfG 7, 198, *Lüth*, 15.01.1958
Court of Appeal of The Hague, *Scientology*: *Scientology v. Spaink*, LJN AI5638, 04.09.2003

3

THE DESIRABILITY OF UNIFICATION OF EUROPEAN COPYRIGHT LAW

Tatiana-Eleni Synodinou

"All changes, even the most desired ones, have their melancholy,
because what we leave behind is a part of ourselves;
you have to die in one life before you can enter to another"

– *Anatole France, Le Crime de Sylvestre Bonnard*[1]

Abstract

This chapter critically examines the question of unification of European copyright law. Seen in the past as a utopian goal, the idea of unification of copyright laws in the EU has gradually gained significant ground. As it will be shown, both the economic and the cultural dimension of copyright law militate strongly in favor of European Union (EU) copyright unification. The real question is therefore not whether EU copyright law unification is necessary, but when is the best time to do it. Contrary to the EU Commission's hesitations and to the view that European copyright law unification is part of a long-term agenda, there are various reasons justifying the introduction of a mandatory European unified copyright law at an earlier stage. First of all, the road toward the unification of copyright law has been already been marked out by the Court of Justice of the European Union (CJEU), which has emerged as a major player in this field. Second, the tremendous challenges posed by the online dissemination, use and protection of copyright-protected works have shown the inherent limitations and weaknesses of national copyright-law policies on digital copyright law. It therefore appears that genuinely enforceable copyright law policies can be adopted only at the EU level through unified rules.

Contents

Abstract 39
Introduction 40
Copyright law unification as part of the European common project 41
One market, one copyright law 41
Human rights and access to culture 47

1 Non-official translation from French: "Tous les changements, même les plus souhaités ont leur mélancolie, car ce que nous quittons, c'est une partie de nous-mêmes; il faut mourir à une vie pour entrer dans une autre".

Copyright law and unification: all players are in position 51
The CJEU's judicial activism: the finishing touch to a covert unification 52
The rise of "GAFA" and the effectiveness of copyright law policymaking 53
Conclusion 56
References 57
Case law 60
Official documents 60

Introduction

European copyright law unification is a rather provocative idea. The unification of national laws is often seen as a taboo or a chimera, especially nowadays where federalist or unionist ideals are seriously called into question.

First of all, the concept of unification should be distinguished from similar or analogous concepts which also reflect the ideal of the adoption of common legal standards. Contrary to harmonization and the convergence of laws, which are methods of active or passive approximation of laws, the unification of laws seeks to establish a new legal order.

Methodologically speaking, the unification of laws should also be distinguished from the codification of law, which is a means or formula for achieving unification (probably the most comprehensive and effective means, as the experience of the Napoleonic or the German Civil Code demonstrate, but not the only one). Here too, some clarification is needed. Codification as a legal tool can either take the form of a consolidation or compilation of the existing body of law (codification *stricto sensu*), or the more advanced and controversial form of designing a unified rule which not only reflects the existing *acquis*, but is also the result of a more profound effort to achieve consensus on the fundamental principles of law.[2] The second one is the form of codification that is going to be discussed in this chapter.

The concept of unification of laws is polymorphous, and there are different methods and degrees of legal unification. So, generally speaking, unification of law can occur *de facto* as a corpus of uniform rules or principles, such as Anglo-Saxon common law. It can also take the advanced form – which is more relevant in relation to copyright law – of an officially established statutory body of law, such as a Code, which will either replace (maximalist approach) or complement national laws (minimalist approach). Furthermore, a Code can be either binding or optional (as with the idea of an Optional Code of General Contract Law,[3] which could be selected as the applicable law by the parties in a contract in a crossborder transaction) and can consist of legal concepts (such as the Common Frame of Reference in Contract Law), operative (working) rules[4] or both.

So, after this *tour d'horizon*, let's get to the point. Do we need to unify European copyright law and if so, why?

We'll see in the first part of this chapter that copyright law unification is mandatory in the light of EU law fundamental principles. The second part of this chapter will then identify where we are on the road toward unification.

2 Philippe Jougleux, 'The Plurality of Legal Systems in Copyright Law: An Obstacle to a European Codification?', In: Synodinou T. (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Kluwer Law International, 2012), 58, 59.

3 'Principles of European Contract Law'. <https://www.trans-lex.org/400200/_/pecl/> (last accessed 5 August 2020).

4 Those rules represent how the issue will be resolved by case law in a legal system. See: Gian Antonio Benacchio, Barbara Pasa, *A Common Law for Europe, A Guide to European Private Law* (CEU Press, 2005) 32.

Copyright law unification as part of the European common project

Copyright law, due to its dual economic and cultural dimension, could be seen a legal oxymoron, or a kind of a legal Janus. Even though economic and cultural objectives do not often coincide, it is remarkable that both militate strongly in favor of EU copyright unification.

One market, one copyright law

European copyright law has a complex filiation with EU internal market values. Treated marginally in the Treaty on the Functioning of the European Union[5] (TFEU) as a possible limitation to market freedoms, and akin to a national antibody in the process of European Union (EU) economic integration, copyright law has been gradually transformed into an example of advanced harmonization of European private law.

Initially, copyright law and European Community (EC) primary law were seen as two distinct and independent bodies of legislation, which should take no account of one other.[6] In line with this approach, it was doubtful whether EU competence applies in the field of copyright law, since the latter was seen as a domain regulated exclusively by national sovereignty. Three main legal arguments have been advanced for supporting the exclusion of copyright law from the scope of application of EU law and from the sole competence of Member States: (i) the lack of an express reference to copyright law in Article 36 of the 1957 Treaty of Rome[7] (only "industrial and commercial property" is mentioned);[8] (ii) the unique nature of copyright law, which combines the protection of both the moral and economic interests of the author and (iii) the property-related nature of copyright law, which would exempt it from the influence of EU law on the basis of Article 222 of the Treaty.[9]

However, 30 years after the Treaty of Rome, technological changes had increased the levels of crossborder exploitation of copyright-protected works and the economic significance of copyright.[10] These changes brought about a paradigm shift. The initial association of copyright law with cultural policy[11] gradually faded away and was replaced by an internal market approach.

This internal market approach had two significant consequences in the field of copyright law. First, copyright law no longer enjoyed an "immunity" privilege against common market

5 Consolidated version of the Treaty on the Functioning of the European Union, OJ C 326, 26.10.2012, pp. 47–390.

6 Agnès Lucas-Schloetter, 'Is there a Concept of European Copyright Law? History, Evolutions, Policies and Politics and the Acquis Communautaire', In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham; Northampton, MA: Edward Elgar 2004), 8.

7 According to this provision, "The provisions of Articles 30 to 34 [of the Treaty] shall not preclude prohibitions or restrictions on imports, exports or goods in transit justified on grounds of public morality, public policy or public security; the protection of health and life of humans, animals or plants; the protection of national treasures possessing artistic historic or archaeological value; or the protection of industrial and commercial property. Such prohibitions or restrictions shall not, however, constitute a means of arbitrary discrimination or a disguised restriction on trade between Member State".

8 See André Françon, *Le droit d'auteur et le Traité de Rome instituant la C.E.E.* (RIDA, 1979), No 100.

9 As it is stated in Article 222: "This Treaty shall in no way prejudice the rules in Member States governing the system of property ownership".

10 Agnès Lucas -Schloetter, 'Is there a Concept of European Copyright Law? History, Evolutions, Policies and Politics and the Acquis Communautaire' (n 6), 10.

11 See European Parliament Resolution of 13 May 1974 on measures to protect the European cultural heritage [1974], OJ C62/5,6; Commission, 'Stronger Community action in the cultural sector, Communication to Parliament and the Council' COM (1982) 590 final, 2 (i).

freedoms and values. Second, the Treaty's provisions on the free movement of goods and services and on free competition would also be applicable to crossborder trade in copyright-protected works. The then European Court of Justice opted for a subtle approach by applying the legal construct of distinguishing between the "existence" of copyright law, which was an issue of national law, and the "exercising" of copyright, which fell under the provisions of the Treaty and was, therefore, controlled by the Court. EU law could regulate the "exercising" of Member States' domestic intellectual property laws in order to establish and maintain the internal market.[12] All this said, EU law could not prejudice the Member States' domestic laws on property ownership and on the "existence" (the essence, the "specific subject matter") of the intellectual property (IP) itself. The application of national measures that obstruct the free movement of goods or services has been permitted only if is deemed necessary for the purpose of safeguarding the 'specific subject matter' of copyright,[13] which has been broadly perceived as covering the exclusive right of exploitation of the work,[14] and also moral rights.[15]

This controversial distinction permitted a relatively peaceful co-existence between national copyright laws and EU law, which continued to co-exist remotely. National copyright laws remained untouched for the most part, and passed the specific subject-matter test fairly easily, since every form of exploitation has been understood by the then European Court of Justice as falling within the "specific subject matter".[16]

At the same time, the principle of copyright territoriality has not been challenged. According to this principle, copyright law applies to, and is enforceable only in, the territory of those Member States that grant it. Copyright territoriality is perceived as an expression of national sovereignty. It enables Member States to adjust their IP policies and subsequently their domestic IP laws to match their particular national needs.[17] Generally speaking, "the territoriality principle holds that a state has no competence to prescribe legal rules to govern activities that occur

12 Valérie-Laure Bénabou, *Droits d'auteur, droits voisins et droit communautaire* (Bruylant, Bruxelles, 1997), 41-44.

13 Mireille van Eechoud, P. Bernt Hugenholtz, Stef van Gompel, Lucie Guibault, Natali Helberger *Harmonizing European Copyright Law: The Challenges of Better Lawmaking*, Information Law Series 19 (Alphen aan den Rijn: Kluwer Law International, 2009), 3.

14 See Case C-5/11, *Criminal Proceedings against Titus Alexander Jochen Donner*, [2012], ECLI:EU:C:2012:370, at [36]: "The application of provisions such as those at issue in the main proceedings may be considered necessary to protect the specific subject-matter of the copyright, which confers inter alia the exclusive right of exploitation. The restriction on the free movement of goods resulting therefrom is accordingly justified and proportionate to the objective pursued, in circumstances such as those of the main proceedings where the accused intentionally, or at the very least knowingly, engaged in operations giving rise to the distribution of protected works to the public on the territory of a Member State in which the copyright enjoyed full protection, thereby infringing on the exclusive right of the copyright proprietor".

15 Joined Cases C-92/92 and C-326/92, *Phil Collins v Imtrat Handelsgesellschaft mbH and Patricia Im- und Export Verwaltungsgesellschaft mbH and Leif Emanuel Kraul v EMI Electrola GmbH* [1993], ECLI:EU:C:1993:847, at [20]: "The specific subject-matter of those rights, as governed by national legislation, is to ensure the protection of the moral and economic rights of their holders. The protection of moral rights enables authors and performers, in particular, to object to any distortion, mutilation or other modification of a work which would be prejudicial to their honor or reputation. Copyright and related rights are also economic in nature, in that they confer the right to exploit commercially the marketing of the protected work, particularly in the form of licenses granted in return for payment of royalties (see the judgment in Joined Cases 55/80 and 57/80 *Musik-Vertrieb membran v GEMA* [1981] ECR 147, paragraph 12)."

16 Mireille van Eechoud, P. Bernt Hugenholtz, Stef van Gompel, Lucie Guibault, Natali Helberger, *Harmonizing European Copyright Law: The Challenges of Better Lawmaking* (n 13), 4.

17 Annette Kur, Thomas Dreier, *European Intellectual Property Law: Text, Cases and Materials* (Cheltenham, Northampton, MA: Edward Elgar, 2013), 13.

outside its national borders".[18] Consequently, there is no uniform EU copyright law, but there are 27 individual national copyright laws which apply, respectively, in the territory of each Member State. National copyright laws are independent of one another and might present significant differences. As a result, the same work can be protected in one Member State, but not in another. Its author or rightholder might be a different person, depending on which Member State's law applies, and divergent copyright exceptions apply within the territory of the EU.

The principle of territoriality is an obstacle to the free movement of goods and services in the internal market, since its direct effect is to segment the EU market into 27 national markets.[19] As Jane Ginsburg has noted, although authors and their works in a digital environment are no longer territorially tethered in all circumstances, "regimes must still derive their authority from territorial sovereigns".[20] Indeed, rightholders can diversify the terms of offer for services giving access to copyright-protected content, depending on the "territory" (the location) of the user. This result is contrary to the EU aim of abolishing restrictions on trade in goods and cultural products among EU Member States. Territorial licensing for content protected by copyright on a country-by-country basis in the EU "leads to extensive market fragmentation".[21]

The principle, which is enshrined in the rule of national treatment established in Article 5(2) of the Berne Convention,[22] has been repeatedly confirmed by the case law of the Court of Justice of the European Union (CJEU).[23] In this context, the legitimacy of business models, which rely on exclusive rights to exploit a copyright-protected work in a specific

18 Peter Goldstein, Hugenholtz P. Bernt, *International Copyright – Principles, Law and Practice* (New York: Oxford University Press, 2013), 97.

19 Tatiana Synodinou, 'EU Portability Regulation: In-depth Analysis of the Proposal' (Study prepared for the JURI Committee of the EU Parliament, 2016).

20 Jane C. Ginsburg, 'Cyberian Captivity of Copyright: Territoriality and Author's Rights in a Networked World', (1999) *Santa Clara Computer & High Tech Journal*, 15(2), (347) 349.

21 Jacklyn Hoffman, 'Crossing Borders in the Digital Market: A Proposal to End Copyright Territoriality and Geo-Blocking in the European Union', (2016) Vol. 49, *Washington International Law Review*, Ed. 143, (143)144.

22 P. Bernt Hugenholtz, Mireille van Eechoud, Stef van Gompel, Lucie Guibault and others, Report on 'The Recasting of Copyright & Related Rights for the Knowledge Economy', [2006] Institute for Information Law, (Study commissioned by the European Commission's Internal Market Directorate General) 23.

23 See: Case C-192/04, *Lagardère Active Broadcast v Société pour la perception de la rémunération équitable (SPRE) and Gesellschaft zur Verwertung von Leistungsschutzrechten mbH (GVL),* [2005], ECLI:EU:C:2005:475, at [46] ("the principle of the territoriality of those rights, which is recognized in international law and also in the EC Treaty. Those rights are therefore of a territorial nature and, moreover, domestic law can only penalize conduct engaged in within national territory."); Case C-351/12, *OSA – Ochranný svaz autorský pro práva k dílům hudebním o.s. v Léčebné lázně Mariánské Lázně a.s.*, [2014], ECLI:EU:C:2014:110, at [76], ("The observations submitted to the Court have not shown, as regards a communication such as that at issue in the main proceedings, that – as European Union Law stands at present – there is another method allowing the same level of copyright protection as the territory-based protection and thus territory-based supervision of those rights, a method of which legislation such as that at issue in the main proceedings forms a part"); Case C-462/09, *Stichting de Thuiskopie*, [2011], ECLI:EU:C:2011:397, at [36] ("It follows from the foregoing that, if a Member State has introduced an exception for private copying into its national law and if the final users who, on a private basis, reproduce a protected work reside on its territory, that Member State must ensure, in accordance with its territorial competence, the effective recovery of the fair compensation for the harm suffered by the authors on the territory of that State"). See further Article 3(3) and Annex of Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market ('Directive on electronic commerce') OJ L 178, 17.7.2000, pp. 1–16 (the country of origin rule under the electronic commerce Directive does not apply to IP rights).

territory, was upheld as early as 1982 in the *Coditel II* case,[24] from which it can be deduced that EU law tolerates territorial fragmentation in certain industries. Even though there is some damage to market integration, the CJEU referred to the specific nature of the cinematographic industry (e.g., dubbing and subtitling, and the system of financing) and held that exclusive licenses need not necessarily restrict competition.

Things changed in the late 1980s, when the European Economic Community abandoned the distinction between the existence and the exercising of IP rights and issued several directives intended to harmonize all aspects of Member States' intellectual property rules.[25] The EU's growing interest in the harmonization of copyright law was officially expressed in the 1988 Green Paper on Copyright and the Challenge of Technology,[26] where certain copyright issues were flagged up as matters of priority, requiring immediate action involving EU law. As stated in the Paper, four fundamental concerns would justify an EC intervention in the field of copyright law: the need to create a single market for copyright goods and services and to remove disparate copyright rules which resulted in market fragmentation, the objective of improving the competitiveness of the EU market for copyright goods and services by providing a legal framework comparable to that of the EC's main competitors; the protection of intellectual creations produced in the EC against their use outside the EC and the need to carefully balance copyright protection with competition law rules, by limiting the restrictive effects of copyright law on competition, especially in technology-related areas.[27]

In this context, the fundamental EU policy axiom which has guided the harmonization of copyright laws in the EU since the 1990s[28] is that copyright-protected assets are commodities, which should circulate without barriers throughout the EU internal market. The dogma of the internal market has led to a 25-year-long intensive harmonization effort, whose main legal basis has been Article 114 TFEU (formerly Article 95 of the Treaty of Rome). In this context, a key principle embodied in this axiom has been the doctrine of exhaustion of the distribution right (also discussed in Chapter 8) with regard to the distribution of tangible goods, since it enabled free movement, within the internal market, of a tangible good subject to copyright protection (an original work or copy) after its first sale or other transfer of ownership by the rightsholder or with his consent in the territory of a Member State.[29]

Even though a significant copyright *acquis* has emerged by virtue of these harmonization measures, together with the often-creative role played by the CJEU, the lack of a single legal rule is a critical flaw, which continues to hold back the EU internal market from becoming

24 Case C-262/81, *Coditel SA, Compagnie générale pour la diffusion de la télévision, and others v. Ciné-Vog Films SA and others (Coditel II)*, [1982], ECLI :EU :C :1982 :334, at [15].

25 Justine Pila, Paul Torremans, *European Intellectual Property Law* (Oxford: OUP, 2016) 55.

26 European Commission, 'Green Paper on Copyright and the Challenge of Technology: Copyright Issues Requiring Immediate Action' COM (1988) 182 final, Section 5.2.4 at 171.

27 Mireille van Eechoud, P. Bernt Hugenholtz, Stef van Gompel, Lucie Guibault, Natali Helberger, 'Harmonizing European Copyright Law: The Challenges of Better Lawmaking' (n 13), 5.

28 Commission, 'Green Paper on Copyright and the Challenge of Technology: Copyright Issues Requiring Immediate Action' COM (1988) 182 final, Section 5.2.4 at 171(n 26).

29 Article 4(2) of Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society OJ L 167, 22.6.2001, pp. 10–19 (InfoSoc Directive), establishes the rule of Community-wide exhaustion of the distribution right. According to this rule, the right is exhausted within the territory of the Community and the European Economic Area if the first sale or other transfer of ownership of an original work or of a copy of it is made by the rightholder or with his consent. A similar rule exists in respect of software: see Article 4(2) of Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version), OJ L 111, 5.5.2009, pp. 16–22.

a single, and ultimately a unified, market. National copyright laws still present significant differences, and as a result, the same work can be protected in one Member State but not in another, while divergent copyright exceptions apply within the territory of the EU. One of the reasons for this situation is structural. The "harmonisation by directive" technique is accompanied by several weaknesses which have been pinpointed by Bernt Hugenholtz: its considerable expense, in terms of time, public money and other social costs; the length of time taken by the processes of EU lawmaking and of national implementation; the short-term negative effect on legal certainty in the Member States, especially where a directive introduces new rights or novel terminology and the impossibility of reaching a uniform norm due to the discretion left to the Member States.[30]

The EU copyright landscape consists of 27 sets of national copyright laws which share some common features but also contain fundamental differences. In the EU market for copyright-protected works, there are no barriers to crossborder commerce in works incorporated in tangible goods on the basis of the exhaustion doctrine, but there are national barriers to copyright-protected works provided as services. Furthermore, and even more importantly, justifying EU harmonization measures on the basis of the internal market has deprived the EU copyright *acquis* of its own identity and conceptual framework.

Given that the EU harmonization efforts did not result in a corpus of sound and coherent uniform rules, the unification of European copyright law appears to be a one-way solution. It would enable a true single market of copyright-protected works to come into being all over Europe, by enhancing legal certainty, reducing licensing and transaction costs, by neutralizing the asymmetries produced by the disparities between territorial copyright laws and by creating a tool for streamlining rights management across the Single Market, doing away with the need to administer a 'bundle' of 27 national copyright laws.[31] The appeal of the idea of codification of European copyright law was given a strong boost in the wake of the Lisbon Treaty[32] (in force from December 2009 onwards),[33] which introduced an explicit legal basis for EU copyright policy. Specifically, Article 118 TFEU is introduced as a concrete basis for establishing measures for the creation of IP rights in order to provide uniform regimes throughout the Union. In this context, the EU could create unitary copyright titles, in the same way that the EU legislator did in other fields of IP law.[34] One of the most significant elements of the decision-making process of Article 118 TFEU is that unanimity is not required at the level of the Council, and that a qualified majority will be sufficient, thereby

30 P. Bernt Hugenholtz, 'Harmonisation or Unification of European Union Copyright Law' (2012) Monash University Law Review. <http://www.austlii.edu.au/au/journals/MonashULawRw/2012/2.pdf> (last accessed 1 May 2020).

31 Trevor Cook, Estelle Derclaye, 'A EU Copyright Code: What and How, if Ever?' (2011) 3 IPQ 260.

32 Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed at Lisbon, 13 December 2007, OJ C 306, 17.12.2007, p. 1–230.

33 Frank Gotzen, 'Comment mieux harmoniser ou unifier le droit d'auteur dans l'Union Européenne' (2017) Revue internationale du droit d'auteur, 11.

34 See: Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark, OJ L 11, 14.1.1994, pp. 1–36; Council Regulation (EC) No 2100/94 of 27 July 1994 on Community plant variety rights, OJ L 227, 1.9.1994, pp. 1–30; Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs, OJ L 3, 5.1.2002, pp. 1–24; Regulation (EU) No 1257/2012 of the European Parliament and of the Council of 17 December 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection, OJ L 361, 31.12.2012, pp. 1–8; and Council Regulation (EU) No 1260/2012 of 17 December 2012 implementing enhanced cooperation in the area of the creation of unitary patent protection with regard to the applicable translation arrangements, OJ L 361, 31.12.2012, pp. 89–92.

helping achieve a breakthrough in talks on copyright matters that have reached deadlock.[35] Despite some academic hesitations as to whether Article 118 TFEU could also be used as a basis for copyright and related rights legislation,[36] in its 2011 Communication, the Commission expressly recognized such a possibility and announced that it would "examine the feasibility of creating an optional 'unitary' copyright title on the basis of Article 118 TFEU and its potential impact for the single market, right holders and consumers".[37]

So, the question is not whether an EU Copyright Code in the form of a regulation should be adopted, but when, and what the content and identity of the single rule should be. Admittedly, the road toward the unification of EU copyright law will be long and will not be a bed of roses. First, the question of the relationship between the new regime and national copyright laws needs to be resolved. While the idea of establishing the unified law as an additional layer of protection, which would be optional for rightholders, appears to be the solution most respectful of national traditions, the existence of the two regimes in parallel and their scope of application vis-à-vis one another might prove highly complex. The most successful road would therefore appear to be the replacement of national copyright laws by the new regime or at least giving precedence to the EU unified law over the national laws on core copyright issues.[38] Even though the replacement of national laws appears to be the most straightforward solution, it cannot have immediate effect for all copyright-protected works and other protected subject matter, but it would have to be accompanied by a series of transitional provisions. Indeed, at the time of the creation of the new EU copyright regime, national copyrights with the potential to remain valid for another 100 years will already be in existence.[39] The existing copyrights should be preserved in order to comply with Article 1 of the Protocol to the European Convention on Human Rights and Article 17 of the Charter of Fundamental Rights of the EU.[40]

Another fundamental issue is the question of the scope and content of the unified rule. Should the Code include every aspect of copyright law, even issues closely linked to the

35 Frank Gotzen, 'The European Legislator's Strategy in the Field of Copyright Harmonisation', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Wolters Kluwer, 2012) 51.

36 Silke von Lewinski, 'Introduction', In: Walter MM, von Lewinski S (eds.) *European Copyright Law, A Commentary* (Oxford: Oxford University Press, 2010), paras. 1.0.19, 13.

37 See European Commission, 'A Single Market for Intellectual Property Rights. Boosting creativity and innovation to provide economic growth, high quality jobs and firstclass products and services in Europe' COM (2011) 287 final, 9-10.

38 Frank Gotzen, 'The European Legislator's Strategy in the Field of Copyright Harmonisation', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Wolters Kluwer, 2012), 51. For Reto Hilty, EU unitary copyright law and national copyright laws should co-exist, but national copyright legislation should not produce effects insofar as European legislation may apply. See Reto Hilty, 'Reflections on a European Copyright Codification', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Wolters Kluwer, 2012) 361. However, there is certainly no consensus on this issue. For Alain Strowel, if the adoption of such a unitary title is considered, it should remain optional and national copyrights should remain available. See Alain Strowel, 'Towards a European Copyright Law', In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham: Edward Elgar, 2014), 1136, paras 21.29.

39 Trevor Cook, Estelle Derclaye, 'A EU Copyright Code: What and How, if Ever?' (n 31).

40 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, pp. 391–407. See Marco Ricolfi, 'Towards a EU Copyright Code? A Conceptual Framework', In: Stamatoudi I (ed.), *New Developments in EU and International Copyright Law* (Alphen aan den Rijn: Wolters Kluwer, 2016) 462.

national copyright identities of Member States?[41] Nowadays, it appears that the content of that rule should be comprehensive, because every part of copyright law – including authorship, contracts and moral rights – has an impact on crossborder commerce in cultural goods. The CJEU has led the way on this aspect (see also the discussion in Chapters 4, 5 and 22), as it did not hesitate to enforce a common definition of originality, rightly considering that the definition of the fundamental criterion of protection has an indirect but very real impact on the cultural single market.

Lastly, the unification/codification debate touches on the sources and justifications of copyright law. Here, the question is not about what to include in the unified rule, but more profoundly what this rule should aim for and its conceptual identity. This identity can no longer be based on a monolithic perception of copyright law as a proprietary tool, but should also highlight the importance of copyright-protected works as cultural goods. The cultural dimension of copyright law, which at the genesis of European copyright law, has been seen as an obstacle to harmonization, should nowadays be seen as an additional justification for the "One EU copyright law" objective, as it will now be explained.

Human rights and access to culture

The copyright law of each country has an organic link with that country's culture. This link between copyright law and culture is the main reason for the worldwide diversity in national copyright laws. However, the cultural dimension of copyright law has often been seen as a secondary, and rather obscure, element of copyright laws' identity.

At the European level, the thesis that the cultural and social function of copyright law is an obstacle to EU intervention has gradually faded away[42] and has been replaced by an ambitious EU copyright law harmonization agenda. Cultural objectives have been expressed primarily in the "unity in diversity" principle, which was enshrined in Article 167 (4) TFEU (formerly Article 151 of the 1997 Treaty of Amsterdam).[43] In the copyright field, cultural diversity has gradually evolved into a promoter of EU copyright harmonization, in light of an approach whose aim was to overcome the dichotomy between culture and trade. In this context, free trade and the flourishing of cultural expression are not seen as incompatible, since the liberalization of exchanges enhances the diversity of content and the dynamism of cultural production.[44] For Craufurd Smith, the internal market itself embodies a "cultural prerequisite", because it is assumed that economic integration can lead to more culturally diverse societies.

41 For Reto Hilty although a number of issues could reasonably only be addressed on the basis of unitary European copyright law, rather important questions might remain subject to harmonization only. See Reto Hilty, 'Reflections on a European Copyright Codification', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Wolters Kluwer, 2012) (n 36), 371. For Kingston, a regulation dealing with all aspects of copyright and related rights would reduce diversity. See W. Kingston, 'Intellectual Property in the Lisbon Treaty' [2008] E.I.P.R. 439, 443.

42 See Stéphanie Carre, 'Le role de la Cour de Justice dans la construction du droit d'auteur de l'Union', In: Geiger C (ed.) *La contribution de la jurisprudence à la construction de la propriété intellectuelle en Europe* (Paris: Collection du CEIPI, Lexis Nexis, 2013) 4, 5.

43 Philip Schlesinger, 'Whither the Creative Economy? Some Reflections on the European Case', In: Brown AEL, Waelde C (eds.) *Research Handbook on Intellectual Property and Creative Industries* (Cheltenham: Edward Elgar, 2018), 13.

44 Oriane Calligaro, avec la contribution d'Antonios Vlassis, 'La politique européenne de la culture Entre paradigme économique et rhétorique de l'exception', (2017) *Politique européenne* 2(56), 8, 28, 26.

However, in order for it to be successful, it also requires those societies to be culturally open.[45] This has been the approach of the InfoSoc Directive[46] and of the DSM Directive.[47]

The cultural dimension of copyright law has been recognized both in the Universal Declaration of Human Rights (Article 27) and the International Covenant on Economic, Social and Cultural Rights (Article 15). According Article 15 (1)(a), everyone has "the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits", while in Article 15 (1)(b), it is stated that "everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author".

The unclear relationship of copyright law with the protection of culture,[48] in the way in which the latter has been recognized in the above provisions, has contributed to the lack of a coherent conceptual framework for the cultural "component" of copyright law. The growing interaction between copyright law and human rights in the information society has revived the long-forgotten debate[49] about the cultural objectives and justifications of copyright law. The latter, however, have not benefited from an individual assessment, but have mainly been seen as part of the broader question of how to balance copyright law with freedom of expression.[50]

45 R. Craufurd Smith, 'Introduction', In: Smith C (ed.) *Culture and European Union Law* (Oxford: OUP, 2004), 3–4.

46 See recital 4: "A harmonised legal framework on copyright and related rights, through increased legal certainty and while providing for a high level of protection of intellectual property, will foster substantial investment in creativity and innovation, including network infrastructure, and lead in turn to growth and increased competitiveness of European industry, both in the area of content provision and information technology and more generally across a wide range of industrial and cultural sectors. This will safeguard employment and encourage new job creation". See also recital 8: "The various social, societal and cultural implications of the information society require that account be taken of the specific features of the content of products and services." Furthermore, according to recital 12 "Adequate protection of copyright works and subject-matter of related rights is also of great importance from a cultural standpoint. Article 151 of the Treaty requires the Community to take cultural aspects into account in its action".

47 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125. As it stated in recital 2 "The protection provided by that legal framework also contributes to the Union's objective of respecting and promoting cultural diversity, while at the same time bringing European common cultural heritage to the fore. Article 167(4) of the Treaty on the Functioning of the European Union requires the Union to take cultural aspects into account in its action".

48 As it is highlighted by Sganga, "For more than half a century, neither academics nor practitioners have elaborated on the content and scope of the two provisions, and the silence of national constitutions and regional charters have never compelled them to proceed otherwise". See Caterina Sganga, 'Right to Culture and Copyright: Participation and Access', In: Geiger C (ed.) *Research Handbook on Human Rights and Intellectual Property* (Cheltenham: Edward Elgar, 2015), 560–576.

49 For Christophe Geiger, the inherent social dimension of copyright law has progressively been lost, while in the recent discourse copyright is more frequently presented as an investment-protection mechanism than a vehicle of cultural and social progress. See Christophe Geiger, 'Copyright as an Access Right, Securing Cultural Participation through the Protection of Creators' Interests', In: Giblin R, Weatherall K (eds.) *What if We Could Reimagine Copyright?* Max Planck Institute for Innovation & Competition Research Paper No. 15-07 (Canberra: ANU Press, 2017), 73–109. <http://ssrn.com/abstract=2643304> (last accessed 5 August 2020).

50 This has been also the approach in European copyright law. As Advocate General Szpunar noted in his Opinion in the *Pelham* case: "The freedom of the arts, referred to in the first sentence of Article 13 of the Charter, is a form of freedom of expression, set out in Article 11 of the Charter. The system provided for under the European Convention for the Protection of Human Rights and Fundamental Freedoms, signed at Rome on 4 November 1950 ('the ECHR'), does not provide for such a freedom as an autonomous right, with the freedom of the arts being inferred from the freedom of expression enshrined in Article 10 of that convention" (Opinion

In this context, a fundamental rights or constitutional law approach (see also the discussion in Chapter 2) perceives copyright protection not only as a component of but also as a possible limitation on freedom of expression, including artistic freedom.[51] This complex relationship, which is inherently complementary[52] yet antagonistic at the same time, calls for a fine balancing of the individualistic nature (protection of the individual author's economic and moral rights) and the social function of copyright law (enabling participation, through access and expression of new creativity). From an international human rights perspective, while no reference is officially made to the possible connection between the exercising of the right protected by Article 1 (1)(a) and the protection of the entitlements recognized by Article 15(1)(c) of the International Covenant on Economic, Social and Cultural Rights,[53] the two provisions, as the two sides of the same coin, should be perceived as closely interrelated. This could also lead to specific consequences in the field of European copyright law, which needs to be designed, constructed and interpreted in a way which harmoniously safeguards both of these objectives.[54]

In light of the above, the project of EU copyright harmonization should not neglect or elude the cultural identity of copyright law, but should, on the contrary, integrate it and combine it with the justification of "internal market" harmonization. Copyright law's link with culture is also a key component of the harmonization of copyright laws, since cultures and the cultural goods in which they are embodied are innately destined to move beyond borders. In this context, copyright law's unique connection with culture could – rather than restricting as it happened with the discussion around geoblocking in the copyright field[55] – justify or legitimize a maximalist unionist approach. Specifically, if culture is seen as a liberating and integrating force with an inherent destiny to be communicated, the principle of copyright territoriality appears ill-fitting.

As EU law stands now, there is no EU competence over cultural matters, and there is no express recognition of a right of access for European citizens to the cultures of EU Member States.

---

of Advocate General Szpunar in *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17 [2018] ECLI:EU:C:2018:1002, at [91]).

51 Christophe Geiger, 'Copyright as an Access Right, Securing Cultural Participation through the Protection of Creators' Interests', In: Giblin R, Weatherall K (eds.) *What if We Could Reimagine Copyright?* (n 49).

52 For a recognition of the complementary relationship, see [83] of Advocate General Szpunar's Opinion in the *Pelham* case (n 50), where it is stated that "Accordingly, the opposition between the freedom of the arts and the right related to copyright seems, at first view, paradoxical. The main objective of copyright and related rights is to promote the development of the arts by ensuring artists receive revenue from their works, so that they are not dependent on patrons and are free to pursue their creative activity".

53 For this issue, see Caterina Sganga, 'Right to Culture and Copyright: Participation and Access', In: Geiger C (ed.) *Research Handbook on Human Rights and Intellectual Property* (Cheltenham: Edward Elgar, 2015) 560–576 (n 47).

54 This follows from constitutional traditions common to the Member States (Article 6 (3) Treaty on European Union; see also Case C-73/08 *Bressol and Others* [2010] ECLI:EU:C:2010:181.

55 As has been noted in Communication from the Commission on a Digital Single Market Strategy for Europe (COM(2015)192 final, 6 May 2015, part 3, para 1.2), a side-effect of pan European licensing and of abolishing the territoriality principle within the EU might be less investment in local and culturally more differential content and this would impact negatively on the preservation of cultural and linguistic diversity and heritage. In this context, it has been argued that territorial restrictions could be acceptable, and even desirable as they are "supporting cultural creations targeted at national audiences and having no (or little) international appeal": see Giuseppe Mazziotti, 'Is Geo-Blocking a Real Cause for Concern in Europe?' (2016) EUI Department of Law Research Paper No 2015/43 <https://papers.ssrn.com/sol3/papers.cfm?abstract_id¼2728675> (last accessed 5 August 2020).

Nonetheless, in light of the growing significance of human rights within the EU legal order, the fundamental EU economic freedoms could be interpreted in a way that favors crossborder access to cultural goods.[56]

In this context, enjoying copyright protection based on the same prerequisites within the EU and accessing copyright-protected works under the same mandatory exceptions could be perceived as a concrete form of EU citizens' right to protect and access cultural goods under the same conditions within the whole of Europe. For instance, prohibiting a German tourist in France from posting a photo of the Pompidou center in Paris, either on Facebook or on their personal blog, could be seen as a kind of regulatory frontier which is not compatible with the objective of creating a pan-European cultural forum. Indeed, as stated by Bertoni and Montagnani "'public art' works may express the identity of a community, a state, a nation; they can embody cultural, economic, social, environmental interests, and have civic, commercial, and touristic value".[57] That is why the so-called panorama exception, such as it has been introduced in France, has a scope that is limited to non-commercial uses,[58] while most social media platforms permit commercial reuse of their content.

The increasing role played by fundamental rights, especially in the wake of the Lisbon Treaty, dynamically militates in favor of the adoption of unified copyright exceptions, especially in cases where the exception is justified by fundamental rights (see also the discussion in Chapters 2 and 14). To go one step further, in light of a systematic perception of copyright law as a complex yet coherent legal ecosystem, the driving force of human rights toward unification should not be restricted to a core of exceptions where the link with fundamental rights is direct. Most copyright exceptions have an underlying basic or additional human rights justification. Moreover, copyright exceptions often act in a collaborative way. This holistic approach to copyright justifies the unification of all copyright exceptions in an EU Copyright Code, and these exceptions should be mandatory.[59]

The harmonious balancing of the author's protection with fundamental rights through a unified EU legislative norm appears to be the only way to achieve a genuinely effective

56 In this context, the CJEU in *Commission v Spain* found that Spain had violated the freedom of movement of EU citizens when applied different conditions for the visit to museums for Spanish and other EU citizens. Even though a pan-European right of transborder access to culture has not been explicitly affirmed in this decision, an implicit link of the freedom of receive services and of the freedom movement with the access to cultural goods has been recognized: Case C-45/93 *Commission of the European Communities v Kingdom of Spain* [1994] ECLI:EU:C:1994:101.

57 Aura Bertoni, Maria Lillà Montagnani, 'Public Architectural Art and its Spirits of Instability', (2015) *Queen Mary Journal of Intellectual Property*, 5(3), 247–263: <http://doi.org/10.4337/qmjip.2015.03.01> (last accessed 5 August 2020).

58 See Loi n° 2016-1321 du 7 octobre 2016 pour une République numérique, JORF n°0235 du 8 octobre 2016. <https://www.legifrance.gouv.fr/eli/loi/2016/10/7/ECFI1524250L/jo/texte> (last accessed 4 August 2020). For an analysis, see Mélanie Dulong de Rosnay, P-C Langlais, 'Public artworks and the freedom of panorama controversy: a case of Wikimedia influence', (2017) Internet Policy Review, Journal on Internet Regulation <https://policyreview.info/articles/analysis/public-artworks-and-freedom-panorama-controversy-case-wikimedia-influence> (last accessed 5 August 2020). Manara C, 'La Nouvelle « Exception De Panorama ». Gros Plan Sur L'Article L. 122-5 10° Du Code Français De La Propriété Intellectuelle' (The New 'Panorama Exception' in French Copyright Law), (2016) Revue Lamy Droit de l'Immatériel, n° 4049, 40–43 SSRN: <https://ssrn.com/abstract=2828355> (last accessed 5 August 2020).

59 For Frank Gotzen, the technique of mandatory exceptions is the only one capable of leading to real harmonization. See: Frank Gotzen, 'Comment mieux harmoniser ou unifier le droit d'auteur dans l'Union Européenne' (2017) Revue internationale du droit d'auteur (n°252), 9.

safeguard for both criteria, after the CJEU's decision in the cases of *Pelham,* (C-476/17),[60] *Funke Medien* (C-469/17)[61] and *Spiegel Online GmbH v Volker Beck* (C-516/17).[62] The CJEU held that it is not possible to use fundamental rights as external limitations on copyright protection. A closer analysis of the CJEU's line of reasoning shows that the Court does not wish to place copyright law in a sphere of operation that is independent from the Charter. The obligation incumbent on the national courts to safeguard the effectiveness of copyright exceptions established by law, and to interpret them in a way which is fully compliant with the Charter of Fundamental Rights of the EU, means that the mechanism of balancing of interests is positioned at the heart of the interpretation and implementation of copyright exceptions and limitations. To go one step further, a proper balancing of the authors' protection and user interests within the EU presupposes a workable unified EU core of exceptions. As the law stands now, the CJEU has distinguished two kinds of exceptions: those that constitute a full harmonization measure and those that do not. In this context, the scope of the Member States' discretion in transposing a particular exception into national law must be determined on a case-by-case basis, in particular, according to the wording of each provision. Such a piecemeal and complex approach is not satisfactory and does not promote legal certainty as regards the uniform respect of fundamental rights in all EU Member States.

The growing importance of the claim to uniform access to culture in the EU has also taken on a concrete legislative form in the Portability Regulation.[63] The Regulation seeks to increase crossborder online access to content in order *inter alia* to "improve people's access to cultural content online, thereby nurturing cultural diversity".[64] The Regulation introduces a new consumer right or "user right" to access a portable online content service when traveling in the EU. At the heart of the new portability right lies the legal fiction of Article 4 therein, which establishes the "country of origin" principle for the act of communication to the public. This act should be deemed to occur solely in the Member State of the subscriber's place of residence and not in the place where it physically occurs (the Member State where the consumer is "temporarily" present). Even though the portability right has strong roots and orientations in consumer law, its cultural function should not be underestimated. The portability right is an exception – albeit a modest one – to the principle of copyright territoriality, which enables a copyright user to access an online content service to which he/she has a lawful access throughout the EU, despite copyright territorial restrictions. This is a paradigm shift with great symbolic value.

Copyright law and unification: all players are in position

Thirteen directives and two regulations already apply on copyright law issues,[65] creating an imperfect, *de facto* and chaotic feeling of harmonization. The real question, as mentioned, is thus

60 Judgment of the Court (Grand Chamber) Case C-476/17, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben* [2019] ECLI:EU:C:2019:624.

61 Judgment of the Court (Grand Chamber) Case C-469/17 *Funke Medien NRW GmbH v Bundesrepublik Deutschland* [2019] ECLI:EU:C:2019:623.

62 Judgment of the Court (Grand Chamber) Case C-516/17 *Spiegel Online GmbH v Volker Beck* [2019] ECLI:EU:C:2019:625.

63 Regulation (EU) 2017/1128 of the European Parliament and of the Council of 14 June 2017 on cross-border portability of online content services in the internal market, OJ L 168, 30.6.2017, pp. 1–11.

64 European Commission, Press Release (06.05.15) 'A Digital Single Market for Europe: Commission sets out 16 initiatives to make it happen' (IP/15/4919).

65 See the EU copyright *acquis* at <https://ec.europa.eu/digital-single-market/en/eu-copyright-legislation> (last accessed 5 August 2020).

not whether EU copyright law unification is necessary, but when is the best time to do it. Contrary to the EU Commission's hesitations and to the view that European copyright law unification is part of a long-term agenda, there are various reasons justifying the introduction of a mandatory European unified copyright law at an earlier stage. First of all, the road toward the unification of European copyright law has been already been marked out by the CJEU, which has emerged as a major player in this field (see also the discussion in Chapter 22). Second, the tremendous challenges posed by the online dissemination, use and protection of copyright-protected works have shown the inherent limitations and weaknesses of national copyright-law policies on digital copyright law. It therefore appears that genuinely enforceable copyright law policies can be adopted only at the EU level through unified rules.

The CJEU's judicial activism: the finishing touch to a covert unification

Even though the EU copyright law harmonization process has followed a piecemeal approach, it certainly has to be admitted that the multiplicity of laborious EU interventions in the field of copyright law has created a weighty *acquis*, which could be used as a sound basis for building an EU unified copyright law. Indeed the CJEU, which affirmed its competence over copyright matters at the beginning of the 1980s, has gradually completed the *acquis*.[66] The most significant shift toward an interventionist and more audacious approach was made in 2009, with the *Infopaq* judgment.[67] Subsequently, as noted by Griffiths, the CJEU's judgments from 2009 onwards "demonstrate an increased determination to interpret the copyright acquis in a manner that promotes the construction of as a complete body of EU copyright law as possible".[68]

The Court has often 'creatively' interpreted the EU legislative *acquis* provisions by clarifying, completing or forming their meaning with a strong emphasis on their autonomous and uniform interpretation. In this context, important areas of copyright that had been largely left untouched by harmonization directives have been *de facto* harmonized by the Court.[69] The pro-active approach taken by the CJEU as a promoter of the construction of EU copyright law has necessarily impacted on the interpretation methods used by the Court. As a result, the praetorian construction of the EU *acquis* is based on the methods of teleological[70] and systematic interpretation (in light of international copyright law where possible), which seek to provide conceptual coherence among the disparate rules to be found in the various EU copyright law directives. Furthermore, the Court's approach is inherently and necessarily case-based, as it has designed the scope of EU copyright law notions with reference to the questions put to it.[71]

66 Stéphanie Carre, 'Le role de la Cour de Justice dans la construction du droit d'auteur de l'Union', In: Geiger C (ed) *La contribution de la jurisprudence à la construction de la propriété intellectuelle en Europe* (Paris: Collection du CEIPI, Lexis Nexis, 2013) 19.

67 Case C-5/08, *Infopaq International A/S v Danske Dagblades Forening,* Judgment of the Court (Fourth Chamber) [2009]. ECLI:EU:C:2009:465.

68 Jonathan Griffiths, 'The role of the Court of Justice in the development of European Union Copyright Law', In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham: Edward Elgar, 2014) 1098, 1099.

69 P. Bernt Hugenholtz, 'Is Harmonization a Good Thing? The Case of the Copyright Acquis', In: Pila J, Ohly A (eds.) *The Europeanization of Intellectual Property Law: Towards a European Legal Methodology* (Oxford: OUP, 2013) <https://www.ivir.nl/publicaties/download/Is_harmonization_a_good_thing.pdf> (last accessed 5 August 2020).

70 Valérie-Laure Bénabou, 'Retour sur dix ans de jurisprudence de la Cour de justice de l'Union européenne en matière de propriété littéraire et artistique: les méthodes' (2012) Propriétés Intellectuelles, 147.

71 Alexandra Bensamoun, 'Réflexions sur la jurisprudence de la CJEU: du discours à la méthode' (2015) Propriétés Intellectuelles, 140.

From this point of view, the sense of an enhanced "Europeanisation" of copyright law has undoubtedly been amplified by the activist role played by the CJEU. Much has been written about the activity of the CJEU,[72] whose creative interventions in the field of EU copyright law have been often criticized on the grounds of a lack of legitimacy,[73] limited clarity and vision[74] or incarnating an overwhelming enthusiasm to harmonize.[75] Despite these concerns, it cannot be denied that the CJEU has systematically made a covert effort to achieve a deeper harmonization of EU copyright law, by using the autonomous EU law concepts as the main legal tool for creating unified EU copyright law core notions.[76] So, the seeds of EU copyright law unification have already been planted and are growing. However, even though this *acquis* is admirable in terms of its volume and the variety of its content, it is nothing more than a piecemeal and anarchic collection of legislative and jurisprudential rules. The time has come to reconstruct this amorphous and incomplete acquis into a coherent corpus of unified rules based on a clear normative background. This reconstruction of EU copyright law presupposes both continuity and a break with the past, at the same time. On the one hand, unified copyright law should be based on the codification of existing rules which were painfully established over the past three decades. On the other hand, unified EU copyright law should also be conceptually reformed, with an emphasis on the cultural dimension of copyright law and enhancement of the status of exceptions as user rights. This would necessarily mean the same mandatory exceptions throughout the EU. Furthermore, a unified EU copyright law ecosystem should also include a core of unified rules covering the fields of moral rights, authorship, employees' works and contract law. If unification is opted for, national copyrights will gradually fade away and give way to the unified norm.

The rise of "GAFA"[77] and the effectiveness of copyright law policymaking

The recent heated discussions about the "value gap" in the context of the DSM Directive have shed light on a new problematic of international copyright law. An EU member is not strong enough to impose its own national copyright law agenda on the powerful actors to

72 See Jonathan Griffiths, 'The role of the Court of Justice in the development of European Union Copyright Law' In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham: Edward Elgar, 2014) (n 68) 1098, 1099. Tatiana Synodinou, 'Réflexions autour de la récente et féconde oeuvre jurisprudentielle européenne en droit d'auteur', (2015) Propriétés Intellectuelles, 151; Dionysia Kallinikou, 'CJEU Policy and Practice in the field of European Copyright Law', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Kluwer Law International, 2012) (n 2), 69; C. Castets-Renard, 'L'interprétation autonome est systémique du droit d'auteur par la CJUE: et maintenant ?' (2013) RLDI 13.

73 Jonathan Griffiths, 'The Role of the Court of Justice in the Development of European Union Copyright Law', In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham: Edward Elgar, 2014) (n 68), 1124; Alexandra Bensamoun, 'Réflexions sur la jurisprudence de la CJEU: du discours à la méthode' (2015) Propriétés Intellectuelles (n 71), 140.

74 Bernault C, (2015) *Le droit d'auteur dans la jurisprudence de la CJEU*, Propriétés Intellectuelles, p. 123.

75 See Lionel A.F. Bently, 'Harmonization by Stealth: Copyright and the ECJ' (University of Cambridge, Presentation at Fordham IP Conference, 2012).

76 As it is noted by Rosati, the CJEU has often employed this standard (the principle of autonomy of EU law) in its case law, with the practical effect of strengthening harmonization of copyright laws across the EU, See Eleonora Rosati, 'Copyright and the Court of Justice of the European Union' (Oxford: OUP, 2019), 42, 43.

77 GAFA is an acronym for Google, Apple, Facebook and Amazon. The acronym serves to identify the dominant companies as an entity – effectively an oligopoly that controls much of the tech industry market. For this definition, see: <https://whatis.techtarget.com/definition/GAFA> (last accessed 5 August 2020).

be found on the internet. It appears that the only way to promote copyright rules capable of achieving international respect and enforcement is through the EU.

In this context, the EU Digital Single Market Strategy has added two unique instruments which, despite being highly controversial, should also be seen as the most innovative mechanisms in the field of copyright law in recent years: the regime for online content sharing service providers in Article 17 of the DSM Directive[78] and the new press publisher's neighboring right in Article 15 therein. Why were these measures not adopted at national level? Why was an EU intervention deemed necessary? The answer is both simple and difficult to admit. In the global village, internet protagonists have acquired a tremendous amount of negotiating power, through lobbying and threats. Characteristically, previous attempts by some Member States to introduce a new neighboring right for press publishers at national level have failed.

The German and Spanish experiences provide strong evidence of the impossibility, in practical terms, to enforce such a right at national level.[79] As regards the German press publishers' right, which was introduced in 2013 (§§ 87f-h UrhG, 2013, "Presseleistungsschutz"), publishers mandated their rights to the collecting society VG Media. However, Google refused to obtain a license and started indexing only websites that decided to opt in to be indexed in Google News. While the majority of publishers granted permission to Google for free,[80] the members of VG Media denied this and traffic to their websites went down. As a result, shortly afterwards, they too decided to license Google for free.[81] As of 2017, the society had issued only five licenses and collected a total of EUR 714,000.[82] VG Media brought an action for infringement of the new right against Google for the use of content without authorization and without paying a license fee.[83] A German court stayed the proceedings so that the CJEU could decide on the question of the validity of the law, due to a lack of notification to the EU Commission of the legislative proposal. On 12 September 2019, the CJEU decided that the German provision on the press publishers' right constituted a 'technical

78 For a detailed analysis, see Matthias Leistner, 'European Copyright Licensing and Infringement Liability Under Art. 17 DSM-Directive Compared to Secondary Liability of Content Platforms in the U.S. – Can We Make the New European System a Global Opportunity Instead of a Local Challenge?' (2020) Zeitschrift für Geistiges Eigentum/Intellectual Property Journal (ZGE/IPJ) (forthcoming), SSRN: <https://ssrn.com/abstract= > (last accessed 5 August 2020).

79 For both, see: Martin Kretschmer, Séverine Dusollier, Christophe Geiger, P. Bernt Hugenholtz, 'CREATe Working Paper 2016/09, The European Commission's public consultation on the role of publishers in the copyright value chain: A response by the European Copyright Society', (2016) CREATe Working Paper Series DOI:10.5281/zenodo.56650.

80 Lionel Bently, Martin Kretschmer, Tobias Dudenbostel, María del Carmen Calatrava Moreno, Alfred Radauer, 'Strengthening the Position of Press Publishers and Authors and Performers in the Copyright Directive' (2017) Study for the JURI committee, PE 596.810 <https://www.europarl.europa.eu/RegData/etudes/STUD/2017/596810/IPOL_STU%282017%29596810_EN.pdf>

(last accessed 5 August 2020).

81 Raquel Xalabarder, 'Lecture 2: Why the Proposed Related Right for Press Publishers is Not a Good Idea', In: Höppner T, Kretschmer M, Xalabarder R (eds.) *CREATe Public Lectures on the Proposed EU Right for Press Publishers* (2017) *European Intellectual Property Review*, 39(10), 607–622.

82 Pamela Samuelson, *Legally Speaking: Questioning A New Intellectual Property Right For Press Publishers* (Kluwer Law International, 2018) <http://copyrightblog.kluweriplaw.com/2018/11/19/legally-speaking-questioning-a-new-intellectual-property-right-for-press-publishers/> (last accessed 5 August 2020).

83 For the proceedings in Germany, see: Jan Bernd Nordemann, Stefanie Jehle (Nordemann), 'The German press publishers' right before the CJEU – will it survive? The AG's opinion in VG Media/Google (C-299/17) and some background from Germany' (2019) Kluwer Law International <http://copyrightblog.kluweriplaw.com> Accessed 2 May 2020.

regulation' within the meaning of Article 1(11) of Directive 98/34[84] and that, in such cases, the draft of such laws would be subject to prior notification to the European Commission, pursuant to Article 8(1) therein.[85]

The Spanish experience was similarly discouraging. Spanish law, instead of establishing a new right, amended the quotation exception in order to introduce, in 2014, a limitation that allows news aggregation of non-significant fragments of content available online, subject to payment by the aggregators of an unwaivable equitable compensation, mandatorily managed by collecting societies.[86] Immediately after the introduction of the new law, Google News closed googlenews.es and, as a result, traffic to news websites declined.[87]

In this context, the Impact Assessment on the Modernization of EU copyright rules has suggested that intervention at EU level, with the establishment of a European press publishers' right, is expected to strengthen publishers' bargaining powers more effectively than has happened under national measures such as the 'ancillary rights' adopted in Germany and Spain.[88] Furthermore, as noted by Rosati, the "European way" might be the only permissible route to follow for a new neighboring right, given that a systematic interpretation of the CJEU's judgments in the *Svensson*,[89] *C More Entertainment*[90] and *Reprobel*[91] cases that the freedom of Member States in the area of neighboring rights does not go so far as to suggest that Member States also have the freedom to create new categories of rightholders in respect of neighboring rights.[92]

84 Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations, OJ L 204, 21.7.1998, pp. 37–48.

85 Case C-299/17, *VG Media Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Medienunternehmen mbH v Google LLC* [2019], ECLI:EU:C:2019:716.

86 See Raquel Xalabarder, 'The Remunerated Statutory Limitation for News Aggregation and Search Engines Proposed by the Spanish Government; Its Compliance with International and EU Law' (2014) infojustice.org, <http://infojustice.org/archives/33346> (last accessed 5 August 2020; Raquel Xalabarder, 'Lecture 2: Why the proposed related right for press publishers is not a good idea', op.cit.

87 Pedro Posada de la Concha, Alberto Gutiérrez Garcia, 'Impact of the New Article 32.2 of the Spanish Intellectual Property Act' (2015), Study by Nera Consulting commissioned by Spanish Association of Publishers of Periodicals AEEPP, <https://www.nera.com/publications/archive/2015/impact-of-the-new-article-322-of-the-spanish-intellectual-proper.html> (last accessed 5 August 2020). See also: Lionel Bently, Martin Kretschmer, Tobias Dudenbostel, María del Carmen Calatrava Moreno, Alfred Radauer, 'Strengthening the Position of Press Publishers and Authors and Performers in the Copyright Directive' (2017) Study for the JURI committee, PE 596.810 <https://www.europarl.europa.eu/RegData/etudes/STUD/2017/596810/IPOL_STU%282017%29596810_EN.pdf> (last accessed 5 August 2020).

88 European Commission, 'Impact Assessment accompanying the Proposal for a Directive of the European Parliament and of the Council on copyright in the Digital Single Market and Proposal for a Regulation of the European Parliament and of the Council laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organizations and retransmissions of television and radio programmes', SWD (2016) 301 final, Brussels, PART 1/3, 167.

89 Case C-466/12, *Nils Svensson and Others v Retriever Sverige AB*, Judgment of the Court (Fourth Chamber) [2014], ECLI:EU:C:2014:76.

90 Case C-279/13, *C More Entertainment AB v Linus Sandberg,* Judgment of the Court (Ninth Chamber) of [2015] ECLI:EU:C:2015:199.

91 Case C-572/13, *Hewlett-Packard Belgium SPRL v Reprobel SCRL*, Judgment of the Court (Fourth Chamber) [2015] ECLI:EU:C:2015:750.

92 Eleonora Rosati, 'Neighbouring Rights for Publishers: Are National (Possible) EU Initiatives Lawful?' (2016) *International Review of Intellectual Property and Competition Law* 47(5), 569–594.

Despite the legitimate criticisms of both Article 17[93] and 15[94] of the DSM Directive, one of the major weaknesses of both, and especially of Article 17, is that a significant margin of discretion has been left to the Member States to decide on significant issues of implementation and application of both mechanisms. In this context, legal certainty would have required a more uniform, more "European" approach. Furthermore, and more broadly, it appears that the possibility of introducing novel approaches in the field of online copyright law remains only at European level, since GAFA would be much more reluctant to block the whole EU market, than the isolated markets of a few Member States.

It should also be noted that it is not only GAFA but the functioning of the internet itself that calls for a revolutionary transformation in copyright law, toward a global (or at least a regional) approach. This is no longer a question of crossborder transactions. In the information age, all transactions involving cultural goods are potentially crossborder in nature. It is really interesting to see that, in this context, the geoblocking of streaming content is increasingly perceived as unjust by the Europeans.

Conclusion

EU copyright law harmonization has been hampered by the iconic divide between the civil law ("droit d'auteur") tradition and the common law vision of copyright, whose most prominent representative has been the UK. Even though these divergences are in practice less flagrant than they might appear, this conceptual split has impeded the process of harmonization in domains where the differences are more striking, such as in the case of authorship, copyright ownership, moral rights and copyright contracts. Therefore, the idea of EU copyright unification has been mainly seen as a long-term prospect. However, would it remain the same now that UK's influence does not have to be taken into consideration in the decision-making process? Brexit could be seen not only as a tragedy for Europe, but also as an opportunity for deeper integration in European copyright law. Theoretically, the absence of this major player could at first sight enable a more "continental" perception of copyright law to emerge.[95] In any case, this dichotomy has lost much of its pertinence. In the same way that traditional political divisions are gradually evolving into pro- and anti-European approaches,[96] a new line of opposition is emerging at copyright law level between global and local approaches. In this context, the global approach enjoys the advantage

93 For instance, see: Sebastian Felix Schwemer, Jens Schovsbo, 'What is Left of User Rights? – Algorithmic Copyright Enforcement and Free Speech in the Light of the Article 17 Regime', In: Torremans P (ed.) *Intellectual Property Law and Human Rights*, 4th ed. (Alphen aan den Rijn: Wolters Kluwer, 2020) doi:10.31228/osf.io/g58ar (last accessed 5 August 2020); João Quintais, Giancarlo Frosio, Stef van Gompel, P. Bernt Hugenholtz, Martin Husovec, Bernd Justin Jütte and Martin Senftleben, 'Safeguarding User Freedoms in Implementing Article 17 of the Copyright in the Digital Single Market Directive: Recommendations From European Academics', 2019. SSRN: <https://ssrn.com/abstract=3484968> or <http://dx.doi.org/10.2139/ssrn.3484968> (last accessed 5 August 2020).

94 For instance, see Academics Against Press Publishers' Right, 2018 <https://www.ivir.nl/academics-against-press-publishers-right/> (last accessed 5 August 2020).

95 See Tatiana Synodinou, *Brexit and European Copyright Law: Some Conclusions and Delusions* (Alphen aan den Rijn: Wolters Kluwer, 2016) <http://copyrightblog.kluweriplaw.com> (last accessed 5 August 2020); Eleonora Rosati, 'Copyright in CJEU Case Law: What Legacy?' (2019) *Journal of Intellectual Property Law & Practice* 14(2), 79.

96 For an approach against EU copyright law harmonization, see Andreas Rahmatian, 'European Copyright Inside or Outside the European Union: Pluralism of Copyright Laws and the "Herderian Paradox"' (2016) *International Review of Intellectual Property and Competition Law* 47(8), 912–940.

of historical argument: ever since the Berne Convention, copyright law has always been marked by global influences.

Nonetheless, even if the adoption of a European Copyright Code were to be facilitated, the aim of such a Code should not simply be to reflect common denominators and compromises, or to naïvely appear to "impose" a certain copyright tradition over another. First, significant differences exist between copyright laws following the same copyright tradition, and even with the absence of a strong UK "common copyright law" voice, disagreements will still exist between the various continental law visions of copyright. Second, a move as radical as the introduction of the Code calls for an extremely thoughtful approach in relation to the content of the Code, given that such a monumental edifice would leave little or no scope for retreating from it, at least for a few decades. So it is highly important for the drafters of the Code to think pro-actively, in a technologically neutral way, and also to bear in mind that the EU unified copyright law is seen internationally as a regional law. Indeed, as the world grows more and more digitally interconnected, national and regional copyright laws are also likely to be seen, in the medium or long-term future, as regulatory barriers to a global cultural and economic forum.

References

'Principles of European Contract Law (PECL)', prepared by the Commission on European Contract law. <https://www.trans-lex.org/400200/_/pecl/> (last accessed 5 August 2020).

Academics Against Press Publishers' Right, 2018. <https://www.ivir.nl/academics-against-press-publishers-right/> (last accessed 5 August 2020).

Bénabou Valérie-Laure, *Retour sur dix ans de jurisprudence de la Cour de justice de l'Union européenne en matière de propriété littéraire et artistique : les méthodes* (2012) Propriétés Intellectuelles, pp. 140–153.

Bénabou Valérie-Laure, *Droits d'auteur, droits voisins et droit communautaire* (Bruylant, Bruxelles, 1997).

Benacchio Gian Antonio, Pasa Barbara, *A Common Law for Europe, A Guide to European Private Law* (Budapest: CEU Press, 2005).

Bensamoun Alexandra, 'Réflexions sur la jurisprudence de la CJEU: du discours à la méthode' (2015) *Propriétés Intellectuelles* 139–142.

Bently Lionel, *'Harmonization by Stealth: Copyright and the ECJ'* (University of Cambridge, Presentation at Fordham IP Conference, 2012).

Bently Lionel, Kretschmer Martin, Dudenbostel Tobias, Moreno María del Carmen Calatrava, Radauer Alfred, *Strengthening the Position of Press Publishers and Authors and Performers in the Copyright Directive*, 2017. Study for the JURI committee, PE 596.810. <https://www.europarl.europa.eu/RegData/etudes/STUD/2017/596810/IPOL_STU%282017%29596810_EN.pdf> (last accessed 5 August 2020).

Bernault Carine, 'Le droit d'auteur dans la jurisprudence de la CJEU' (2015) *Propriétés Intellectuelles* 119.

Bertoni Aura, Montagnani Maria Lillà, 'Public Architectural Art and its Spirits of Instability', (2015) *Queen Mary Journal of Intellectual Property* 5(3), 247–263: <http://doi.org/10.4337/qmjip.2015.03.01> (last accessed 5 August 2020).

Calligaro Oriane, Vlassis Antonios, 'La politique européenne de la culture Entre paradigme économique et rhétorique de l'exception' (2017) *Politique européenne* 2017/2 (N° 56).

Carre Stéphanie, 'Le role de la Cour de Justice dans la construction du droit d'auteur de l'Union', In: Geiger C (ed.) *La contribution de la jurisprudence à la construction de la propriété intellectuelle en Europe* (Collection du CEIPI, Lexis Nexis, 2013).

Castets-Renard Céline, 'L'interprétation autonome est systémique du droit d'auteur par la CJUE: et maintenant?' (2013) *RLDI* 93, 10–15.

Cook Trevor, Derclaye Estelle, 'A EU Copyright Code: What and How, if Ever?' (2011) *IPQ* 3, 260.

Craufurd Smith Rachael, 'Introduction', In: Craufurd Smith Rachael (ed.) *Culture and European Union Law* (Oxford: OUP, 2004).

De la Concha Pedro Posada, Gutiérrez Garcia Alberto, 'Impact of the New Article 32.2 of the Spanish Intellectual Property Act', 2015. Study by Nera Consulting commissioned by Spanish Association of Publishers of Periodicals AEEPP <https://www.nera.com/publications/archive/2015/impact-of-the-new-article-322-of-the-spanish-intellectual-proper.html> (last accessed 5 August 2020).

De Rosnay Mélanie Dulong, Langlais P-C, 'Public Artworks and the Freedom of Panorama Controversy: A Case of Wikimedia Influence', 2017. *Internet Policy Review, Journal on Internet Regulation* <https://policyreview.info/articles/analysis/public-artworks-and-freedom-panorama-controversy-case-wikimedia-influence> (last accessed 5 August 2020).

Françon André, 'Le droit d'auteur et le Traité de Rome instituant la Communauté Economique Européenne' (1979) Revue internationale du droit d'auteur, p. 129.

Geiger Christophe, 'Copyright as an Access Right, Securing Cultural Participation through the Protection of Creators' Interests', In: Giblin R, Weatherall K (eds.) *What if We Could Reimagine Copyright?* Max Planck Institute for Innovation & Competition Research Paper No. 15–07 (Canberra: ANU Press, 2017), 73–109. <http://ssrn.com/abstract=2643304> (last accessed 5 August 2020).

Ginsburg C. Jane, 'Cyberian Captivity of Copyright: Territoriality and Author's Rights in a Networked World' (1999) *Santa Clara Computer & HighTech Journal* 15, Ed. 2, (347) 349.

Goldstein Peter, Hugenholtz P. Bernt, *International Copyright – Principles, Law and Practice*, (New York: Oxford University Press, 2013).

Gotzen Frank, 'Comment mieux harmoniser ou unifier le droit d'auteur dans l'Union Européenne' (2017) *Revue internationale du droit d'auteur.*

Gotzen Frank, 'The European Legislator's Strategy in the Field of Copyright Harmonisation', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Wolters Kluwer, 2012), 4–43.

Griffiths Jonathan, 'The role of the Court of Justice in the Development of European Union Copyright Law', In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham: Edward Elgar, 2014).

Hilty Reto, 'Reflections on a European Copyright Codification', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Wolters Kluwer, 2012).

Hoffman Jacklyn, 'Crossing Borders in the Digital Market: A Proposal to End Copyright Territoriality and Geo-Blocking in the European Union' (2016) *Washington International Law Review*, 49, Ed. 143, (143)144.

Hugenholtz P. Bernt, 'Harmonisation or Unification of European Union Copyright Law' (2012) *Monash University Law Review*, 38(1), 4–16. <http://www.austlii.edu.au/au/journals/MonashULawRw/2012/2.pdf> (last accessed 5 August 2020).

Hugenholtz P. Bernt, 'Is Harmonization a Good Thing? The Case of the Copyright Acquis', In: Pila J, Ohly A (eds.) *The Europeanization of Intellectual Property Law: Towards a European Legal Methodology* (Oxford: OUP, 2013). <https://www.ivir.nl/publicaties/download/Is_harmonization_a_good_thing.pdf> (last accessed 5 August 2020).

Hugenholtz P. Bernt, van Eechoud Mireille, van Gompel Stef, Lucie Guibault and others, Report on *'The Recasting of Copyright & Related Rights for the Knowledge Economy'*, 2006. Institute for Information Law (Study commissioned by the European Commission's Internal Market Directorate General).

Jougleux Philippe, 'The Plurality of Legal Systems in Copyright Law: An Obstacle to a European Codification?', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Kluwer Law International, 2012).

Kallinikou Dionysia, 'CJEU Policy and Practice in the Field of European Copyright Law', In: Synodinou T (ed.) *Codification of European Copyright Law, Challenges and Perspectives* (Alphen aan den Rijn: Kluwer Law International, 2012).

Kingston William, 'Intellectual Property in the Lisbon Treaty' (2008) *EIPR* 439, 443.

Kretschmer Martin, Dusollier Séverine, Geiger Christophe, Hugenholtz P. Bernt, 'CREATe Working Paper 2016/09, The European Commission's public consultation on the role of publishers in the copyright value chain: A response by the European Copyright Society', 2016. CREATe Working Paper Series. doi:10.5281/zenodo.56650.

Kur Annette, Dreier Thomas, *European Intellectual Property Law: Text, Cases and Materials*, (Cheltenham, Northampton, MA: Edward Elgar, 2013).

Leistner Matthias, 'European Copyright Licensing and Infringement Liability Under Art. 17 DSM-Directive Compared to Secondary Liability of Content Platforms in the U.S. – Can We Make the New European System a Global Opportunity Instead of a Local Challenge?' (2020) Zeitschrift für

Geistiges Eigentum/Intellectual Property Journal (ZGE/IPJ) 'forthcoming' SSRN: https://ssrn.com/abstract= (last accessed 5 August 2020).

Lucas-Schloetter Agnès, 'Is there a Concept of European Copyright Law? History, Evolutions, Policies and Politics and the Acquis Communautaire'. In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham; Northampton, MA: Edward Elgar, 2004).

Manara Cédric, 'La Nouvelle « Exception De Panorama ». Gros Plan Sur L'Article L. 122–5 10° Du Code Français De La Propriété Intellectuelle' (The New 'Panorama Exception' in French Copyright Law) (2016) *Revue Lamy Droit de l'Immatériel*, n° 4049, 40–43. SSRN: <https://ssrn.com/abstract=2828355> (last accessed 5 August 2020).

Mazziotti Giuseppe, 'Is Geo-Blocking a Real Cause for Concern in Europe?' (2016) EUI Department of Law Research Paper No 2015/43. <https://papers.ssrn.com/sol3/papers.cfm?abstract_id¼2728675> (last accessed 5 August 2020).

Nordemann Jan Bernd, Jehle Stefanie, *The German Press Publishers' Right before the CJEU – Will it Survive? The AG's Opinion in VG Media/Google (C-299/17) and Some Background from Germany* (Alphen aan den Rijn: Kluwer Law International, 2019). <http://copyrightblog.kluweriplaw.com> (last accessed 5 August 2020).

Pila Justine, Torremans Paul, *European Intellectual Property Law* (Oxford: OUP, 2016).

Quintais João, Frosio Giancarlo, van Gompel Stef, Hugenholtz P. Bernt, Husovec Martin, Jütte Bernd Justin and Senftleben Martin, 'Safeguarding User Freedoms in Implementing Article 17 of the Copyright in the Digital Single Market Directive: Recommendations From European Academics', 2019. SSRN: <https://ssrn.com/abstract=3484968> or <http://dx.doi.org/10.2139/ssrn.3484968> (last accessed 5 August 2020).

Rahmatian Andreas, 'European copyright inside or outside the European Union: pluralism of copyright laws and the "Herderian paradox"' (2016) *International Review of Intellectual Property and Competition Law* 47(8), 912–940.

Ricolfi Marco, '*Towards a EU Copyright Code? A Conceptual Framework'*, In: Stamatoudi I (ed.), *New Developments in EU and International Copyright Law* (Alphen aan den Rijn: Wolters Kluwer, 2016).

Rosati Eleonora, *Copyright and the Court of Justice of the European Union* (OUP, 2019).

Rosati Eleonora, 'Copyright in CJEU Case Law: What Legacy?' (2019) *Journal of Intellectual Property Law & Practice* 14(2).

Rosati Eleonora, 'Neighbouring Rights for Publishers: Are National (Possible) EU Initiatives Lawful?' (2016) *International Review of Intellectual Property and Competition Law* 47(5), 569–594.

Samuelson Pamela, *Legally Speaking: Questioning A New Intellectual Property Right For Press Publishers* (Alphen aan den Rijn: Kluwer Law International, 2018). <http://copyrightblog.kluweriplaw.com/2018/11/19/legally-speaking-questioning-a-new-intellectual-property-right-for-press-publishers/> (last accessed 5 August 2020).

Schlesinger Philip, 'Whither the Creative Economy? Some Reflections on the European Case', In: Brown AEL, Waelde C (eds.) *Research Handbook on Intellectual Property and Creative Industries* (Cheltenham: Edward Elgar, 2018).

Schwemer Felix Sebastian, Schovsbo Jens, 'What is Left of User Rights? – Algorithmic Copyright Enforcement and Free Speech in the Light of the Article 17 Regime', In: Torremans P (ed.) *Intellectual Property Law and Human Rights* (Alphen aan den Rijn: Kluwer Law International, 2020). doi:10.31228/osf.io/g58ar (last accessed 5 August 2020).

Sganga Caterina, 'Right to Culture and Copyright: Participation and Access', In: Geiger C (ed.) *Research Handbook on Human Rights and Intellectual Property* (Cheltenham: Edward Elgar, 2015), 560–576.

Strowel Alain, 'Towards a European Copyright Law', In: Stamatoudi I, Torremans P (eds.) *EU Copyright Law, A Commentary* (Cheltenham: Edward Elgar, 2014).

Synodinou Tatiana, *Brexit and European Copyright Law: Some Conclusions and Delusions*. (Wolters Kluwer, 2016). <http://copyrightblog.kluweriplaw.com> (last accessed 5 August 2020).

Synodinou Tatiana, 'EU Portability Regulation: In-depth Analysis of the Proposal' (Study prepared for the JURI Committee of the EU Parliament, 2016).

Synodinou Tatiana, 'Réflexions autour de la récente et féconde oeuvre jurisprudentielle européenne en droit d'auteur', (2015) *Propriétés Intellectuelles*, 149.

van Eechoud Mireille, Hugenholtz P. Bernt, van Gompel Stef, Guibault Lucie, Helberger Natali, *Harmonizing European Copyright Law: The Challenges of Better Lawmaking*, Information Law Series 19 (Alphen aan den Rijn: Kluwer Law International, 2009).

von Lewinski Silke, 'Introduction', In: Walter MM, von Lewinski S (eds.) *European Copyright Law, A Commentary* (Oxford: Oxford University Press, 2010).

Xalabarder Raquel, 'Lecture 2: Why the Proposed Related Right for Press Publishers is Not a Good Idea'. In: Höppner T, Kretschmer M, Xalabarder R, *CREATe public lectures on the proposed EU right for press publishers* (2017) *European Intellectual Property Review*, 39(10) 607–622.

Xalabarder Raquel, 'The Remunerated Statutory Limitation for News Aggregation and Search Engines Proposed by the Spanish Government; Its Compliance with International and EU Law' (2014) infojustice.org. <http://infojustice.org/archives/33346> (last accessed 5 August 2020).

Case law

Case C-73/08 *Bressol and Others* [2010] ECLI:EU:C:2010:181.

Case C-279/13, *C More Entertainment AB v Linus Sandberg*, Judgment of the Court (Ninth Chamber) of [2015] ECLI:EU:C:2015:199.

Case C-262/81, *Coditel SA, Compagnie générale pour la diffusion de la télévision and others v. Ciné-Vog Films SA and others (Coditel II)* [1982] ECLI:EU:C:1982:334.

Case C-45/93 *Commission of the European Communities v Kingdom of Spain* [1994] ECLI:EU:C:1994:101.

Case C-469/17 *Funke Medien NRW GmbH v Bundesrepublik Deutschland* [2019] ECLI:EU:C:2019:623.

Case C-572/13, *Hewlett-Packard Belgium SPRL v Reprobel SCRL* [2015] ECLI:EU:C:2015:750.

Case C-5/08, *Infopaq International A/S v Danske Dagblades Forening* [2009] ECLI:EU:C:2009:465.

Case C-192/04, *Lagardère Active Broadcast v Société pour la perception de la rémunération équitable (SPRE) and Gesellschaft zur Verwertung von Leistungsschutzrechten mbH (GVL)* [2005] ECLI:EU:C:2005:475.

Case C-466/12, *Nils Svensson and Others v Retriever Sverige AB* [2014], ECLI:EU:C:2014:76.

Case C-351/12, *OSA – Ochranný svaz autorský pro práva k dílům hudebním o.s. v Léčebné lázně Mariánské Lázně a.s.* [2014] ECLI:EU:C:2014:110.

Case C-476/17, *Pelham GmbH, Moses Pelham, Martin Haas v Ralf Hütter, Florian Schneider-Esleben*, Opinion of Advocate General Szpunar delivered on 12 December 2018, ECLI:EU:C:2018:1002.

Case C-516/17 *Spiegel Online GmbH v Volker Beck* [2019] ECLI:EU:C:2019:625.

Case C-462/09, *Stichting de Thuiskopie* [2011] ECLI:EU:C:2011:397.

Case C-299/17, *VG Media Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Medienunternehmen mbH v Google LLC* [2019], ECLI:EU:C:2019:716.

Joined Cases C-92/92 and C-326/92, *Phil Collins v Imtrat Handelsgesellschaft mbH and Patricia Im- und Export Verwaltungsgesellschaft mbH and Leif Emanuel Kraul v EMI Electrola GmbH* [1993] ECLI:EU:C:1993:847.

Official documents

European Commission, *'Communication from the Commission on a Digital Single Market Strategy for Europe'*, COM(2015)192 final, 6 May 2015, part 3.

European Commission, *'Green Paper on Copyright and the Challenge of Technology: Copyright Issues Requiring Immediate Action'* COM (1988) 182 final.

European Commission, *'Impact Assessment accompanying the Proposal for a Directive of the European Parliament and of the Council on copyright in the Digital Single Market and Proposal for a Regulation of the European Parliament and of the Council laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes'*, SWD (2016) 301 final, Brussels, PART 1/3.

European Commission, Press Release (06.05.15) *'A Digital Single Market for Europe: Commission sets out 16 initiatives to make it happen'* (IP/15/4919).

European Commission, *'Stronger Community action in the cultural sector, Communication to Parliament and the Council'* COM (1982) 590 final.

European Parliament, Resolution of 13 May 1974 on measures to protect the European cultural heritage [1974], OJ C62/5.

SECTION II

Copyright and related rights

When does and should protection arise?



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

4

THE AUTHORIAL WORKS PROTECTABLE BY COPYRIGHT

*Justine Pila**

Abstract

This chapter considers the European conception of the authorial works protectable by copyright and the approach of the Court of Justice of the European Union (CJEU) to determining whether an authorial work exists. To that end, it distinguishes three legal issues: the meaning of the term "authorial work", the essential properties of an authorial work, and the degree to which a subject matter must possess those properties in order to be an authorial work for European copyright purposes. Only once these issues are resolved is it possible to assess a given subject matter and determine, as a final question of fact, whether it is an authorial work requiring protection. The chapter surveys the current jurisprudence in respect of these issues. In the course of doing so, it suggests that the CJEU's formalistic conception of the constitutive properties of authorial works lacks coherence, fails convincingly to explain existing case law, and is inconsistent with the usual meaning of "authorial works" in ordinary language and with the nature of copyright as an author's right.

Contents

Abstract 63
Copyright is a right of authors in respect of their works 64
Authorial works are literary or artistic works that constitute an author's own intellectual creation 65
Works are bounded expressive objects having a certain unity and stability of expressive form 66
Ideas and information are not works 68
The denial of copyright to ideas and information abstracted from works 68
The denial of copyright to works whose content is indistinguishable from their form 69
Expressive objects whose perception as such depends on unreliable human faculties are not works 70
Works are original (intellectual creations of an author) 71
Some types of work afford insufficient scope for authorship ever to be original 72
Words and other expressive elements can never be original 72

* My thanks to the Editor, Eleonora Rosati, for her comments on this Chapter in draft. References to European law are to EU law unless the context indicates otherwise.

Works the expressive form of which is determined exclusively by their nature or purpose 73
Some works are the product of insufficient authorship to be original in fact 74
Problems with the European conception of originality 75
Future challenges for the European conception of copyright subject matter 77
References 80
Case law 80
EU case law 80
Domestic case law 81

Copyright is a right of authors in respect of their works

A striking feature of the law of personal property is its agnosticism regarding the type of subject matter capable of protection.[1] The same cannot be said of intellectual property (IP), including copyright. In Europe, both the justifications for copyright's existence and the scope of its protections are tied closely and inextricably to the subject matter it protects. Indeed, and unlike property, the very concept of copyright, in modern times at least, contains a reference to the subject matter it protects.[2] As a right of authors, copyright requires the existence of something that might properly be regarded as an authorial work in order to subsist.

This much is trite law. Under the InfoSoc Directive, for example, the exclusive rights conferred by copyright – reproduction, communication and making available to the public, and distribution to the public – are conceived explicitly as rights of authors in respect of their works; and for the distribution right, as a right of authors in respect of the original of their works and copies thereof.[3] Fundamental issues for European copyright therefore include what an authorial work is, and how the existence of an authorial work is determined. To decide these issues, it is necessary first to define "authorial work", and then to identify the essential properties of an authorial work, and determine in what degree a subject matter must possess those properties. These can each be described as questions of law. Having resolved them, it should be possible to assess a given subject matter and determine whether it has the properties constitutive of authorial works in sufficient degree to be protected by copyright, as a final question of fact.[4]

1 K Gray, "Property in Thin Air" (1991) 50 *The Cambridge Law Journal* 252–307.

2 C Hesse, "The Rise of Intellectual Property, 700 B.C.–A.D. 2000: An Idea in the Balance" (2002) 131 *Daedalus* 26–45; also Universal Declaration of Human Rights 1948 Art. 27(2) ("Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author").

3 Directive 2001/29/EC on the harmonization of certain aspects of copyright and related rights in the information society [2001] OJ L 16/10 (Info. Soc. Dir.) Arts 2(a), 3.1 and 4.1; also Directive 2006/115/EC on rental right and lending right and on certain rights related to copyright in the field of intellectual property [2006] OJ L 376/28 (Rental Dir.) Art. 3.1.

4 On the law/fact distinction see F Green, "Mixed Questions of Law and Fact" (1901) 15 *Harvard Law Review* 271–280. On the nature of copyright subsistence as a question of fact see Directive 2006/11/EC on the term of protection of copyright and certain related rights [2006] OJ L 372/12 (Term Dir.) Recital (14) (describing authorship as a question of fact).

The purpose of this chapter is to consider how European law resolves these issues regarding the meaning of "authorial work", the essential properties of authorial works, and the test for determining whether an authorial work exists.

Authorial works are literary or artistic works that constitute an author's own intellectual creation

Legislation offers certain starting points. Above all, it establishes the foundational principle of European copyright, that copyright subsists in and only in (a) literary and artistic works (b) that constitute and express the intellectual creation of an author.[5] With respect to (a), for example, the Term Directive describes the authorial works entitled to copyright as "literary or artistic works within the meaning of Article 2 of the Berne Convention",[6] the Software Directive requires the protection by copyright of computer programs "as literary works within the meaning of the Berne Convention",[7] and the Database Directive treats the creators of databases as authors entitled to the copyright protections of Berne.[8] Not all literary and artistic works within the meaning of the Berne Convention are eligible for protection, however. Hence, and with respect to (b), European legislation distinguishes between original and non-original works, and requires that works be "original" in order to be protected by copyright, in the sense of constituting an "author's own intellectual creation".[9] To do so, a work must reflect the author's personality,[10] and be the product of "creative and artistic work".[11]

It follows from this discussion that the starting point for thinking about the authorial works protected by copyright under European law is the Berne Convention.[12] The very aim of Berne is to establish a right of authors to the protection of their literary and artistic works by copyright.[13] For this purpose, "literary and artistic works" are defined to include "every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression",[14] confirming that works are artefactual objects of expressive or informational significance. Further, Berne clarifies that derivative subject matter, and, in particular, collections of literary or artistic works (such as encyclopedias and anthologies), and translations, adaptations, and other alterations of a literary or artistic work, are among

5 The legislation refers to "the author's own intellectual creation", but to avoid circularity this must be read as "an author's own intellectual creation". See Term Dir. Art. 4 and Recital (16) (photographs) and Recital (13) (collections); Directive 2009/24/EC on the legal protection of computer programs [2009] OJ L 111/16 (Software Dir.) Art. 1.3 (computer programs); Directive 96/9/EC on the legal protection of databases [1996] OJ L 77/20 (Database Dir.) Art. 3.1 and Recitals (15) and (16) (databases).

6 Term Dir. Art. 1.1.

7 Software Dir. Art 1.1.

8 Database Dir. Recitals (28), (35) and (37) and Art. 6.3.

9 N. 5. No other criteria may be applied to determine the eligibility of subject matter for protection: Term Dir. Recital (16) (photographs); Software Dir. Recital (16) and Art. 1.3 (computer programs).

10 Term Dir. Art. 4 and Recital (16) (photographs).

11 Info. Soc. Dir. Recital (10); Rental Dir. Recital (5).

12 Berne Convention for the Protection of Literary and Artistic Works 1886, as amended (BC).

13 BC Art. 1.

14 BC Art. 2(1) ("such as books, pamphlets and other writings; lectures, addresses, sermons and other works of the same nature; dramatic or dramatico-musical works; choreographic works and entertainments in dumb show; musical compositions with or without words; cinematographic works to which are assimilated works expressed by a process analogous to cinematography; works of drawing, painting, architecture, sculpture, engraving and lithography; photographic works to which are assimilated works expressed by a process analogous to photography; works of applied art; illustrations, maps, plans, sketches and three-dimensional works relative to geography, topography, architecture or science").

the subject matter protectable by copyright as original works, provided they "constitute intellectual creations",[15] and without prejudice to the subsistence of copyright in the works collected or altered.[16] These and other Berne provisions underline that literary and artistic works are not protected "as such", but rather as intellectual creations of an author.[17] This is especially important in the context of subject matter, such as computer programs, that are capable of being conceived in different ways – for example, as works of expression and works of technology – and explains the provision of the Software Directive that, for copyright purposes, programs are protected in their former conception exclusively.

As suggested above, it is one thing to establish the meaning of the term "authorial works", and another to establish what the essential, constitutive properties of an authorial work are, and in what degree a given subject matter must possess those properties in order to be recognized as an authorial work entitled to copyright.

Works are bounded expressive objects having a certain unity and stability of expressive form

Copyright subject matter are first and foremost works: bounded expressive objects that have a certain unity and stability of expressive form. This can be inferred from the Berne Convention's definition of "literary and artistic works",[18] and from the examples of works offered in support of it: writings, speeches, dramatic and musical compositions; works produced by cinematographic, photographic, or analogous processes; and artistic compositions and works of applied or industrial art.[19] Each example reflects ordinary language understandings of authorial works as objects of expressive or informational significance that can be read, viewed, or listened to.

For European legal purposes, works are intangible. Hence, the requirement for sufficiently unified and stable expressive properties is not a requirement for material fixation. Nor does European law require material fixation to evidence their existence.[20] While Berne permits Union states to introduce such a requirement, it also does not require them to do so, leaving the matter entirely to each state's discretion.[21] The freedom thus accorded to Berne members underlines that where material fixation is a requirement of domestic copyright protection, it serves the purely evidentiary function of establishing that a work exists and does not entail a conception of authorial works as constituted by the material conditions of their fixation. This is consistent with basic legal distinctions between works in their original and

15 BC Arts 2(5) (collections) and 2(3) (alterations).

16 BC Art. 2(3).

17 While Berne contains many other provisions regarding the copyright protection required (or otherwise) for literary and artistic works – e.g., Arts 2(4) (official texts and translations of them), 2(7) (works of applied art and industrial designs and models), 2*bis*(1) (political and legal speeches) and 2*bis*(2) (lectures, addresses, and other works of the same nature which are delivered in public) – none adds to the conception of the authorial work above. A possible exception is Art. 2(8) ("The protection of this Convention shall not apply to news of the day or to miscellaneous facts having the character of mere items of press information.").

18 N. 14.

19 Ibid.

20 Confirmed in Case C–310/17 *Levola Hengelo BV v. Smilde Foods BV Deutschland* ECLI:EU:C:2018:899 (13 November 2018) [40]; see n. 40.

21 BC Art. 2(2).

copied forms,[22] works and related rights subject matter,[23] and works as objects of intellectual and personal property, respectively.[24]

For some artistic subject matter, the conception of works as intangible may seem counter-intuitive. For example, it is difficult to think of paintings other than as paint on a surface, and hence to conceive of them as existing independent of the material form in which their expressive features are fixed. Nonetheless, the law clearly recognizes that paintings exist as both tangible and intangible objects, and require separate protection as such; as tangible objects by personal property, and as intangible objects by copyright.[25] Conceptually too, this distinction makes sense, particularly if one accepts a non-formalistic understanding of authorial works. The reason is the difference between the physical act of realizing an authorial work in the form of a painting, and the constitutive properties of any painting that exists. While the application of paint to a surface might well be a requirement for the initial realization of an artistic work in the form of a painting, paintings are not constituted exclusively by paint on a surface, and any painting that exists will persist independent of its materiality, as a work of visual expressive significance. This explains why, if a painted surface is destroyed, the copyright subsisting in it *qua* painting will continue to subsist and is also consistent with the ordinary language understandings of authorial works considered below.

Hence, the unity and stability required of works for copyright purposes does not necessitate their material fixation; and nor is material fixation required to establish them. What is required is that the expressive properties of a work be susceptible of sufficiently clear and objective human perception; whether as a substantive or evidentiary requirement. It follows that in a world comprised entirely of people without the capacity for sight, paintings and other works of exclusively visual expressive significance would not be protectable by copyright. The only exception would be for those that had some additional non-visual expressive significance and were sufficiently susceptible to objective human perception by means other than sight to be recognized as having the expressive unity and stability required of authorial works for the purposes of copyright. An example might be three-dimensional artistic works such as sculptures capable of being experienced as objects of tactile significance, the expressive properties of which are capable of sufficiently clear and objective human perception by means of touch.

The conception of works as bounded expressive objects that have a certain unity and stability of expressive form has special practical significance in two situations: first, where copyright is claimed in respect of abstract subject matter, such as ideas or information; and second, where the constitutive expressive properties of an object can only be perceived via unreliable human perceptual faculties.

22 E.g., n. 3.

23 Under European law, related rights protection is required for a variety of tangible subject matter, including material reproductions of authorial works, in the form of performance fixations, phonograms, first film fixations and copies thereof, broadcast fixations, and press publications; see, e.g., Info. Soc. Arts 2(b) to (e) and 3.2; Rental Dir. Art. 3(b) to (d); Term Dir. Art. 3; Database Dir. Art. 7.1; Directive 2019/790 on copyright and related rights in the Digital Single Market [2019] OJ L 130/92 Art. 15.1.

24 The distinction underpins the right of authors of certain artistic works to share in the profits earned from the resale of the works' first material fixation under Directive 2001/84/EC on the resale right for the benefit of the author of an original work of art [2001] OJ L 272/32.

25 The value of the tangible objects in which artistic works are first realized is acknowledged in the conferral on authors of a resale right: *ibid*.

Ideas and information are not works

It is well established that copyright does not subsist in ideas or information. While often presented as a function of public interests or third-party rights and limits to the scope of copyright, the reason is more simply that copyright is an author's right that subsists in and only in authorial works, and that neither ideas nor information are authorial works properly defined.

This is so basic as to obviate the need for statutory expression. Nonetheless, it is expressed in provisions of the Berne Convention and European copyright legislation. For example, the Berne Convention expressly excludes the application of its protections "to news of the day or to miscellaneous facts having the character of mere items of press information",[26] and the Software Directive similarly provides "[f]or the avoidance of doubt" that its protections apply only "to the expression in any form" of a program, and do not extend to "[i]deas and principles which underlie any element" of it, such as "logic, algorithms and programming languages", to the extent that they "comprise ideas and principles".[27]

These provisions highlight two situations in which the distinction between (protectable) works and (non-protectable) ideas or information are potentially important. The first is where a given idea or item of information is sought to be abstracted from a series of works in which it is expressed, and protected independent of them. The second is where an idea or item of information is only capable of being expressed in a limited number of ways.

The denial of copyright to ideas and information abstracted from works

Among the examples of the first situation from domestic case law are ideas or techniques reproduced across the episodes of a television series or the issues of a magazine and claimed for protection independent of any particular episode or issue.[28] In effect, such claims are for ideas – of using a clap-o-meter to induce audience applause, or of presenting a magazine's text in a certain font, for example[29] – rather than for any bounded expressive object in which they are expressed. Importantly, the denial of copyright does not signify the inappropriateness of protecting ideas as such – among other things, the copyright in a work will always protect the literary and artistic ideas that it expresses to some extent[30] – but rather reflects

26 BC Art. 2(8).

27 Software Dir. Recital (11); see also Case C-406/10 *SAS Institute Inc. v. World Programming Ltd* ECLI:EU:C:2012:259 (2 May 2012), at [33].

28 See, e.g., *Hugh Hughes Green v. Broadcasting Corporation of New Zealand* [1989] RPC 700, [1989] UKPC 26 (denying copyright protection to the format of a television show, comprising certain dramatic features such as the title and use of certain catch phrases, a clap-o-meter, and the use of sponsors to introduce competitors, repeated across its episodes and independent of the content presented in each episode); *IPC Media Ltd v. Highbury-Leisure Publishing Ltd* [2004] EWHC 2985 (Ch), [2005] FSR 20 (denying copyright to the "design, subject matter, theme and presentational style" of a magazine, comprising certain literary and artistic features repeated across the covers and internal sections of its issues and independent of the text and images presented in each issue).

29 *IPC Media Ltd v. Highbury-Leisure Publishing Ltd* [2004] EWHC 2985 (Ch), [2005] FSR 20.

30 Examples, again from domestic law, include *Laras Tochter* I ZR 65/96 (BGH, 29 April 1999) [1999] GRUR 984-988 (Germany) (finding that copyright in a novel prevents the unauthorized reproduction of its literary characters); *Designers Guild Ltd v. Russell Williams (Textiles) Ltd* [2000] 1 WLR 2416 (UK HL, 23 November 2000) (UK) (finding that copyright in an artistic work prevents the unauthorized reproduction of its non-literal artistic features, including the brush-stroke and other aspects of artistic technique used to create the work); *Carey v. Mediaset SpA* (It. Cass. (I), 6 June 2018) (Italy) [2019] IIC 500–507 (finding a puppet to be protected by copyright as a work of pantomime, including its appearance and personality).

the inability of copyright to subsist in subject matter that lack the unity and stability of a bounded expressive object.[31]

At the European level, the need for subject matter to have sufficient expressive unity and stability to be regarded as a work has been confirmed in the context of tastes and clothing designs. In *Cofemel v. G-Star Raw CV* (also discussed in Chapter 5), for example, copyright was claimed in respect of certain jean and t-shirt designs on the basis of the "specific and aesthetically significant visual effect" they were said to generate.[32] The Court of Justice of the European Union (CJEU) rejected the claim's basis in European law. In its judgment, the fact that an object generates a certain aesthetic effect is insufficient to establish its entitlement to copyright. The reason is that, unlike other species of IP rights, copyright protects works, which require a sufficiently precise and objectively determinable form of expression.[33] The mere fact that an object produces a certain effect in the minds of those who encounter it is insufficient to establish the existence of such a form, and hence insufficient to establish the existence of any subject matter that might properly be regarded as a work for copyright purposes.[34]

The denial of copyright to works whose content is indistinguishable from their form

More difficult is the second situation in which the distinction between works and ideas or information can have practical significance, which is where an idea or item of information is only capable of being expressed in one way, or in a small number of ways, such that the work's ideational or informational and expressive properties are indistinguishable. This is most likely to be an issue for functional and informational works, such as computer programs, though it also arises for certain types of expressive works, such as parody.

On one view, the merging of a work's expressive form and content is best treated as an issue of copyright scope and infringement, rather than subsistence. After all, every authorial work is an expression of certain ideas and information, and a work's content and form can never be fully distinguished. It might therefore be said that, provided a work exists, it should be protected, and concerns about the implications of its protection for others' expressive rights and freedoms resolved via the definition of the rights that its protection confers (and the test for determining those rights' infringement).

The CJEU has taken a different approach.[35] Where the form and content of a work are insufficiently distinguishable, it has denied copyright subsistence. However, it has relied not on the absence of a bounded expressive object itself, but rather on the absence of an act of authorship sufficient to merit copyright. An example is *Bezpečnostní softwarová asociace – Svaz softwarové ochrany v. Ministerstvo kultury*, involving a claim of copyright in respect of a graphic user interface. In the Court's judgment, where the methods of implementing the technical

31 Of course, and as the example of a pantomimic work (ibid.) highlights, different types of work afford different scope for such unity and stability.

32 Case C-683/17 *Cofemel – Sociedade de Vestuário SA* v. *G-Star Raw CV* ECLI:EU:C:2019:721 (12 September 2019) [26].

33 Ibid. [32]–[33].

34 Ibid. [34]. In reaching its decision, the Court applied its earlier reasoning in Case C–310/17 *Levola Hengelo BV v. Smilde Foods BV Deutschland* ECLI:EU:C:2018:899 (13 November 2018), discussed further below.

35 Cf *Oracle America, Inc v. Google Inc*, 750 F3d 1339 (Fed Cir 2014) 1358 ("while questions regarding originality are considered questions of copyrightability, concepts of merger … are affirmative defenses to claims of infringement"). This conception of the merger doctrine is among the issues before the US Supreme Court in *Google LLC v. Oracle America, Inc*, No 18-956.

function of the components of a graphic user interface "are so limited that the idea and the expression become indissociable", the interface will be ineligible for copyright due to the absence of sufficient scope for an author's expression of her intellectual creation.[36] The same reasoning was deployed in *Funke Medien NRW GmbH v. Bundesrepublik Deutschland*, involving a claim to copyright in respect of government reports on the deployment of military personnel. There the Court held that informational works must be denied copyright where their "technical purpose" of imparting information on a given topic leaves insufficient scope for authorial (intellectual) creation.[37] In each case therefore, the legal basis for denying copyright was not the absence of a work, in the sense of a bounded expressive object, but rather the work's failure to be original.[38] This was confirmed explicitly by the CJEU in *Brompton Bicycle Ltd v. Chedech/Get2Get*[39] (also discussed in Chapter 5).

Expressive objects whose perception as such depends on unreliable human faculties are not works

As has been seen, conceiving a work as a bounded expressive object entails that its expressive properties have a certain unity and stability capable of clear and objective human perception. In law especially, the need for a work's expressive properties to be sufficiently perceptible to enable the work to be identified and distinguished from other objects is essential for reasons of legal certainty.[40] It follows that works are not eligible for copyright where their expressive properties are perceptible by means only of unreliable human faculties.

The CJEU confirmed this in *Levola Hengelo BV v. Smilde Foods BV*, involving a claim for copyright in respect of the taste of a spreadable cheese and herb dip.[41] The central question for the Court was whether such an object might be protected by copyright. The Court decided it might not, owing to its insufficiently determinate expressive properties. In the current state of scientific development at least, "it is not possible […] to achieve by technical

36 Case C-393/09 *Bezpečnostní softwarová asociace - Svaz softwarové ochrany v Ministerstvo kultury v. Ministerstvo kultury* ECLI:EU:C:2010:816 (22 December 2010) [49]–[50].

37 Case C–469/17 *Funke Medien NRW GmbH v. Bundesrepublik Deutschland* ECLI:EU:C:2019:623 (29 July 2019) [24].

38 See further below.

39 Case C-833/18 *Brompton Bicycle Ltd v. Chedech/Get2Get* ECLI:EU:C:2020:461 (11 June 2020) [27] ("the criterion of originality cannot be met by the components of a subject matter which are differentiated only by their technical function. It follows, in particular, from Article 2 of the WIPO Copyright Treaty that copyright protection does not extend to ideas. Protecting ideas by copyright would amount to making it possible to monopolize ideas, to the detriment, in particular, of technical progress and industrial development […] Where the expression of those components is dictated by their technical function, the different methods of implementing an idea are so limited that the idea and the expression become indissociable.").

40 *Hugh Hughes Green v. Broadcasting Corporation of New Zealand* [1989] UKPC 26, [1989] RPC 700, 703 ("The protection which copyright gives creates a monopoly and 'there must be certainty in the subject matter of such monopoly in order to avoid injustice to the rest of the world'", quoting the judgment of Farwell J in *Tate v. Fulbrook* [1908] 1 KB 821, 832); Case C–310/17 *Levola Hengelo BV v. Smilde Foods BV Deutschland* ECLI:EU:C:2018:899 (13 November 2018) [40]–[41] ("[F]or there to be a 'work' […] the subject matter protected by copyright must be expressed in a manner which makes it identifiable with sufficient precision and objectivity, even though that expression is not necessarily in permanent form. That is because, first, the authorities responsible for ensuring that the exclusive rights inherent in copyright are protected must be able to identify, clearly and precisely, the subject matter so protected. The same is true for individuals, in particular, economic operators, who must be able to identify, clearly and precisely, what is the subject matter of protection which third parties, especially competitors, enjoy. Second, the need to ensure that there is no element of subjectivity — given that it is detrimental to legal certainty — in the process of identifying the protected subject matter means that the latter must be capable of being expressed in a precise and objective manner.")

41 Case C–310/17 *Levola Hengelo BV v. Smilde Foods BV Deutschland* ECLI:EU:C:2018:899 (13 November 2018).

means a precise and objective identification of the taste of a food product which enables it to be distinguished from the taste of other products of the same kind".[42] Unlike the examples of literary and artistic works included in Article 2 of the Berne Convention, the perception of tastes, and hence their identification and distinction from other subject matter, depends on variable and subjective human sensations and experiences, affected by peoples' personal characteristics, habits, and environments.[43] Their expressive properties therefore lack the clear and objective perceptibility required of works for European copyright purposes.

The need for works' expressive properties to be capable of clear and objective human perception was also confirmed by the CJEU in *Cofemel*, considered above, as a reason for denying protection to subject matter defined with reference to their alleged aesthetic effects.[44] In the Court's reasoning, since aesthetic effects depend for their perception on the "intrinsically subjective sensation of beauty experienced by each individual", any subject matter defined with reference to them will lack the "precision and objectivity" required of a work for copyright purposes.[45] Hence aesthetic effects are also ineligible for protection owing to the unreliability of the human perceptual faculties on which their identification as bounded expressive objects depends.

Works are original (intellectual creations of an author)

For the purposes of European law, copyright protection requires more than the existence of a literary or artistic work within the meaning of the Berne Convention; the work that exists must also be original, in the sense of constituting "an author's own intellectual creation".[46] While often presented by the CJEU as an aspect of the requirement for a work,[47] it is clear that literary and artistic works within the meaning of Berne can either be original or non-original in fact, with the result that the requirements for a work and originality are analytically separate.

Over the past decade, a two-stage test has emerged in European case law for assessing whether a work is the intellectual creation of an author so as to be original.[48] At the first stage, the Court asks whether the work is of a type that affords scope for the exercise of free and creative choices (formative freedom) in its production. At the second stage, it asks whether the person claiming authorship of the work has exploited that scope sufficiently to produce a work that is her own intellectual creation in the sense of reflecting her personality. The first of these stages allows for the exclusion from copyright of types of subject matter deemed ineligible for protection owing to their inability ever to be original, while the second stage allows for the exclusion from copyright of individual works whose type affords scope for originality but whose author has failed sufficiently to exploit that scope to produce a work that is original in the sense of reflecting her personality in fact.

42 Ibid. [43].

43 Ibid. [42].

44 Case C-683/17 *Cofemel – Sociedade de Vestuário SA* v. *G-Star Raw CV* ECLI:EU:C:2019:721 (12 September 2019) [49].

45 Ibid. [53].

46 Section 2.

47 See, e.g., Case C–469/17 *Funke Medien NRW GmBH v. Bundesrepublik Deutschland* ECLI:EU:C:2019:623 (29 July 2019) [19] ("in order for subject matter to be regarded as a 'work', [it] must be original in the sense that it is its author's own intellectual creation").

48 J Pila and PLC Torremans, *European Intellectual Property Law* (2nd edn 2019, OUP) para. 11.3.2.

Some types of work afford insufficient scope for authorship ever to be original

To date, two types of works have been excluded from protection on the basis of their inherent lack of originality. The first of these are individual words and other building blocks of literary or artistic expression, and the second are works the expressive form of which is determined exclusively or predominantly by their nature or purpose.

Words and other expressive elements can never be original

Among the most important European decisions regarding copyright subsistence to date has been *Infopaq v. Danske*.[49] Infopaq was a Danish company that provided a media monitoring service to paying subscribers involving the automated capture of 11-word excerpts from published articles comprising a search term and five words on either side. In domestic proceedings, Danske challenged Infopaq's freedom to reproduce the excerpts and make them available to subscribers without the permission of the articles' copyright owners. Among the questions referred to the CJEU were whether the acts of storing and printing an 11-word text extract from a published article could ever infringe an author's right of reproduction under the InfoSoc Directive.

In answering this question, the Court began by affirming the protection of the articles themselves as original works, before proceeding to consider the excerpts.[50] Since the reproduction right extends to works "in whole or in part" and is required to be interpreted broadly, the Court held that the excerpts could themselves be protected by copyright as "part" of the articles, and more specifically, as original "work" of an author.[51] Implicit was that short excerpts from literary works can themselves be protected by copyright, independent of the articles, as expressions of the intellectual creation of the articles' authors. The reason given was the nature of original literary and artistic works as products of literary and artistic authorship, and of literary authorship as the expression of a person's creativity through "the choice, sequence and combination of … words".[52] Since the excerpts reproduced by Infopaq comprised such a choice, sequence, and combination, they were capable of expressing the intellectual creation of an author, and hence of being original.[53] Indeed, in the CJEU's decision, only individual words are not so capable, since the process of "creating" them lacks the act of combination constitutive of a literary author's intellectual creation.[54]

Needless to say, *Infopaq* supports a broad conception of originality and authorship. Not only does it establish the potential eligibility for protection of any selection and arrangement of literary or artistic expressive elements, it also conceives original works in purely formalistic terms, as compilations of words, sounds, images, and human movements. This has since been supported in subsequent cases. An example is *SAS Institute Inc. v. World Programming Ltd*, involving a claim of copyright in respect of a user manual for a computer program. Citing its decision in *Infopaq*, the Court held that the "words, figures or mathematical concepts" of which "keywords, syntax, commands and combinations of commands, options, defaults and iterations" consist are "not, as such an intellectual creation of the author of [a] computer program", and cannot therefore support copyright independent of the manual produced by

49 Case C-5/08 *Infopaq International A/S v. Danske Dagblades Forening* ECLI:EU:C:2009:465 (16 July 2009).
50 Ibid. [44]–[45].
51 Ibid. [33]–[43].
52 Ibid. [45].
53 Ibid. [47].
54 Ibid. [46].

choosing, ordering, and combining them.[55] A similar approach was adopted by the Advocate General in *Football Association Premier League Ltd v. QC Leisure*, involving the unauthorized reproduction of live broadcasts of Premier League football matches in the memory buffer of a decoder box in the course of showing them.[56] In her Opinion, Advocate General Kokott considered the implications of *Infopaq* for the domestic court's assessment of whether the acts of successively reproducing video images contained in the broadcast might infringe copyright. She said it might. The reason was that "isolated items of colour for individual pixels" are to video frames what single words are to literary works. It followed on the authority of *Infopaq* that any subject matter in which pixels were brought together could be protected by copyright as an expression of the author's own intellectual creation,[57] in contrast to individual pixels (and items of color), which alone would be ineligible for copyright. As recently remarked by Advocate General Szpunar in *Pelham GmbH v. Ralf Hütter*, such findings leave little scope for the recognition of any *de minimis* threshold for European copyright.[58]

Works the expressive form of which is determined exclusively by their nature or purpose

The second type of works that have been recognized as affording insufficient scope for the exercise of free and creative choices to be original are those the expressive form of which is determined exclusively by their nature or purpose, or other factors external to the person claiming to have authored them.

Already we have seen this principle in the Court's decision in *Funke Medien*, that purely informational works are not eligible for copyright owing to their "technical purpose" of imparting information, and the insufficient scope that it affords for the free and creative choices required of authorship.[59] The same reasoning has been deployed to deny protection to other types of work on the basis that their expressive properties are dictated solely or primarily by technical considerations. Examples include live football matches and other sporting events "subject to rules", and databases and graphic user interfaces whose expressive properties are dictated by technical constraints.[60] In contrast are: photographic works, including

55 Case C-406/10 *SAS Institute Inc. v. World Programming Ltd* ECLI:EU:C:2012:259 (2 May 2012) [65]–[67].

56 Joined Cases C-403/08 and C-429/08 *Football Association Premier League Ltd v. QC Leisure and Karen Murphy v. Media Protection Services Ltd* ECLI:EU:C:2011:43 (3 February 2011) (AG).

57 Ibid. [79]–[81].

58 Case C-476/17 *Pelham GmbH* v. *Ralf Hütter* ECLI:EU:C:2018:1002 (12 December 2018) (AG) [29]. Cf. the recognition of *de minimis* thresholds to copyright infringement, in the context, for example, of authors' communication to the public right, which the CJEU has interpreted as requiring, among other things, a work's communication to a "fairly large" number of potential recipients: Case C-117/15 *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v. Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte eV (GEMA)* ECLI:EU:C:2016:379 (31 May 2016) [40]–[44].

59 Case C–469/17 *Funke Medien NRW GmBH v. Bundesrepublik Deutschland* ECLI:EU:C:2019:623 (29 July 2019) [19], citing Case C-145/10 *Eva-Maria Painer v. Standard Verlags GmbH* [2011] ECR I-2533 (1 December 2011) [87]–[89].

60 Joined Cases C-403/08 and C-429/08 *Football Association Premier League Ltd v. QC Leisure and Karen Murphy v. Media Protection Services Ltd* [2011] ECR I-09083 (4 October 2011) [98] ("sporting events cannot be regarded as intellectual creations classifiable as works within the meaning of the Copyright Directive. That applies, in particular, to football matches, which are subject to rules of the game, leaving no room for creative freedom for the purposes of copyright."); Case C-604/10 *Football Dataco Ltd v. Yahoo! UK Ltd* ECLI:EU:C:2012:115 (1 March 2012) [38]–[39] ("As regards the setting up of a database, that criterion of original is satisfied when, through the selection or arrangement of the data which it contains, its author expresses his creativity ability in an original manner by making free and creative choices … and thus stamps his 'personal touch … By contrast,

photographic portraits and other realistic images, which the Court of Justice confirmed in *Eva-Maria Painer v. Standard Verlags GmbH* afford sufficient scope for the exercise of creative freedom to be original;[61] computer programs, which the Software Directive confirms can be original and requires Member States to protect accordingly;[62] and the shape of useful products, such as bicycles, which the Court has similarly confirmed (in *Brompton Bicycle*) can be protected by copyright, provided the shape's expressive properties are not so determined by the products' technical features as to leave no scope for authorship.[63]

The treatment of informational works of the type considered in *Funke Medien* and photographic portraits of the type considered in *Painer* may be difficult to reconcile. What can be said with confidence however is that the requirement for originality underlines the nature of copyright as an author's right, and its dependence on an act of intellectual (literary or artistic) creation by an author to subsist. In effect, the requirement for originality ensures that there exists a sufficient causal connection between a given work and the person alleged to have created it in order to justify the subsistence of copyright in the former for the latter's presumptive benefit.

Some works are the product of insufficient authorship to be original in fact

Having established that a work is of a type that affords sufficient scope for the exercise of free and creative choices to be original, it remains to consider whether a given work is in fact original. This is a context-specific enquiry that depends on the scope afforded by the type of work in question and the extent to which that scope has been exploited by the putative author to create a work that reflects her personality.[64] For example, since portrait photographs afford comparatively limited scope for the exercise of free and creative choices, comparatively little by way of creativity needs to be shown to establish their originality.[65] Indeed, pointing and clicking a camera with some attention to the framing, angle, and atmosphere of the resulting image can be expected ordinarily to suffice.[66] Less clear is when if ever the arguably equivalent act of dabbing paint on a surface

that criterion is not satisfied when the setting up of the database is dictated by technical considerations, rules or constraints which leave no room for creative freedom"); Case C-393/09 *Bezpečnostní softwarová asociace - Svaz softwarové ochrany v Ministerstvo kultury v. Ministerstvo kultury* ECLI:EU:C:2010:816 (22 December 2010) [48]–[50] (the criterion of originality "cannot be met by components of the graphic user interface which are differentiated only by their technical function … since the different methods of implementing an idea are so limited that the idea and the expression become indissociable. In such a situation, the components of a graphic user interface do not permit the author to express his creativity in an original manner and achieve a result which is an intellectual creation of that author.").

61 Case C-145/10 *Eva-Maria Painer v. Standard Verlags GmbH* [2011] ECR I-2533 (1 December 2011) [89]–[94].

62 N. 7.

63 Case C-833/18 *Brompton Bicycle Ltd v. Chedech/Get2Get* ECLI:EU:C:2020:461 (11 June 2020) [29]–[32] ("In the present case, it is true that the shape of the Brompton bicycle appears necessary to obtain a certain technical result, namely that the bicycle may be folded into three positions, one of which allows it to be kept balanced on the ground. However, it is for the referring court to ascertain whether, in spite of that fact, that bicycle is an original work resulting from intellectual creation.")

64 See, e.g., ibid. [30], [32] and [34]; also Case C-145/10 *Eva-Maria Painer v. Standard VerlagsGmbH* [2011] ECR I-2533 (1 December 2011) [93] ("as regards a portrait photograph, the freedom available to the author to exercise his creative abilities will not necessarily be minor or even non-existent.").

65 Again, this can be inferred from the Court's description of the various ways in which a photographer is able to "make free and creative choices" in the course of preparing, taking, and developing a portrait photograph, including (when taking the photograph) choosing "the framing, the angle of view and the atmosphere created": ibid. [91].

66 Ibid.

or formulating a sentence will be similarly regarded as sufficient to make the painted surface or sentence original. As noted above, the judgment in *Infopaq* leaves little scope for the recognition of any *de minimis* threshold for copyright.[67] However, since authorship is ultimately a question of fact,[68] the question of whether a person exploits the scope for formative freedom afforded by a certain type of object sufficiently to produce a work of authorship must be determined on the facts of each case. Having said this, it is clear that a work's originality must be expressed in the putative author's selection and arrangement of the words, items of color, or other expressive elements comprising it. It follows that the mere fact that a work "generate[s] an aesthetic effect", and is the result of "aesthetic considerations", will never be sufficient to establish its originality.[69]

Problems with the European conception of originality

The discussion above highlights a central problem with the current European conception of authorial works, and of originality specifically: it invites the courts to recognize even trivial works as original, and hence as requiring copyright protection.[70] This is problematic for reasons of law as well as of policy. As a matter of law, it is well established that where a common language term is used in European legislation without definition, its meaning and scope must "be determined by considering its usual meaning in everyday language, while also taking into account the context in which it occurs and the purposes of the rules of which it is part".[71] Since terms such as "work", "author", "original", and "intellectual creation" are common language terms not defined in European copyright legislation, they are appropriately interpreted in line with this approach. Contrary to the Court's suggestion in *Infopaq*, however, the usual meaning of "authorship" and "intellectual creation" in ordinary language is not choosing, ordering, and combining words or other elements of expression. This is the case notwithstanding the suggestion above that what matters about an original work are its formal expressive properties: how a literary work reads, an artistic work looks, a musical work sounds, and a dramatic work looks and sounds.[72] For despite this, most people are unlikely to regard all combinations of words, colors, sounds, and movements as intellectual creations of an author, and likely instead to distinguish between music and other sounds, drama and other events, sculpture and other three-dimensional objects, and art and other visually perceptible artefacts. As I have argued at length elsewhere, drawing on work of art theorist Kendall Walton, these apparently contra-indicative intuitions about works point to the importance of an object's non-formal features, and in particular to its origins, in constituting it as a work of authorship.[73] Put differently, they point to an ordinary language conception of authorial works as constituted not only by their expressive properties, but also by the

67 N. 58.

68 N. 4.

69 Case C-683/17 *Cofemel – Sociedade de Vestuário SA* v. *G-Star Raw CV* ECLI:EU:C:2019:721 (12 September 2019) [54].

70 See, e.g., *The Newspaper Licensing Agency Ltd v. Meltwater Holding Bv* [2011] EWCA Civ 890, [2012] RPC 1 [19]–[22] (relying on *Infopaq* to support the conclusion that headlines are capable of being original literary works, as words originating with an author, so as to require protection by copyright).

71 See, e.g., Case C-201/13 *Johan Deckmyn and Vrijheidsfonds VZW v. Helena Vandersteen* ECLI:EU:C:2014:2132 (3 September 2014) [19].

72 Main text following n. 19.

73 J Pila, "Copyright and its Categories of Original Works" (2010) 30 *Oxford Journal of Legal Studies* 229–254.

history of their individual creation: the intention or expectation of the persons who created them, and the view of the society in which they were created. It follows from this conception that to determine whether a subject matter is an original work, it is necessary to look beyond its properties of expressive form to consider also its origins.

Not only does this non-formalistic conception of original works better reflect ordinary language understandings of what an authorial work is, it is also consistent with the European "author's own intellectual creation" test of originality,[74] and offers a more convincing explanation of the European case law in this area. For example, and returning to the distinctions above: a sequence of human movements enacted on a stage, and a pile of bricks exhibited in an art gallery, will plainly be original works; while the same sequence enacted on a football field, and pile of bricks on a construction site, will equally plainly not. One asks why there is the difference, and the answer lies in the non-formal properties of original works: the intention or expectation of the persons who produced them, and the view of society regarding their nature.[75] Absent an appreciation of the constitutive importance of these non-formal properties, one is left with reasoning of the type advanced in *Football Association Premier League* in an attempt to justify *ex post* the only finding that common sense permits in the face of a claim for copyright in respect of such objects as a live football match. The way is also paved for suggestions that copyright might properly extend to other (plainly) non-authorial subject matter, such as recombinant DNA sequences.[76]

In sum, the European legal conception of originality is difficult to accept, and difficult also to reconcile with the usual meaning of such terms as "original", "author", and "intellectual creation" in ordinary language. By conceiving originality in purely formalistic terms, as requiring only the selection and arrangement of words or other expressive elements, the CJEU has ignored the non-formal properties of original works in popular conception, supported the protection of such trivial and non-authorial subject matter as short phrases and other combinations of two or more expressive elements, and paved the way for the subsistence of copyright in a range of other subject matter on the basis of their amenability to aural or visual perception. It has also required unclear and incoherent legal reasoning of the type deployed in *Football Association Premier League* to avoid absurd legal results, such as the recognition of sporting events as works of authorship.

At this point, an objection might be raised that the meaning of "authorial works" does not depend exclusively on ordinary language; the term's statutory context also matters. For example, some might counter that computer programs are not authorial works as a matter of ordinary language, so why should other supposedly non-authorial subject matter, including other subject matter analogous to computer programs such as DNA sequences, not be protected by copyright as well? However, while it may be true that computer programs are not regarded as works of literary authorship as a matter of ordinary language, there is nothing preventing the legislature from deeming them to be treated as such for copyright purposes; which is what the European legislature has done via the Software Directive. As explained above, the result is to require that programs be protected as authorial works, rather than in any other conception, including

74 Including its requirement for human authorship: see further below.

75 Pila (n. 73) 239–240; *LucasFilm Ltd* v. *Ainsworth* [2008] EWHC (Civ) 1878, [2009] FSR 2 [118].

76 See, e.g., AW Torrance, "DNA Copyright" (2011) 46 *Valparaiso University Law Review* 1–41; N Lucchi, "Copyrightabiity of engineered DNA sequences" in E Bonadio and N Lucchi, *Non-Conventional Copyright: Do New and Atypical Works Deserve Protection?* (Edward Elgar 2018) 367–381. Cf. DL Burk, "Copyrightability of Recombinant DNA Sequences" (1989) 29 *Jurimetrics* 469–532 (arguing that copyright could in principle protect recombinant DNA sequences, but should not in policy).

most obviously as inventions. Hence the Directive's provision that, "[f]or the avoidance of doubt", copyright in a program subsists only in its expression, and does not also extend to its underlying ideas and principles,[77] which ideas and principles may instead be patented as technological artefacts. However supportable the extension of copyright to computer programs might be as a matter of policy, as "deeming" legislation the Software Directive cannot justify a general judicial conception of the original works protectable by copyright to include objects far removed from ordinary language understandings of works of literary and artistic authorship.

Other aspects of the statutory context in which the term "authorial works" falls to be interpreted might also be invoked to justify the current conception of originality under European law. Indeed, the CJEU suggested the same in *Infopaq*, by supporting its expansive and formalistic conception of literary authorship in that case with reference to provisions of the InfoSoc Directive: the requirement that authors have the right to authorize or prohibit the reproduction of their works "in whole or in part", and the emphasis on ensuring "a high level of protection … for authors".[78] It is submitted however that while these provisions may have supported the conclusion that any copyright subsisting in published articles might enable their authors to prevent the unauthorized reproduction of 11-word excerpts as "parts" of their works within the meaning of the Directive, they cannot have supported the Court's further suggestion that any selection and arrangement of words might itself be an original work entitled to copyright. The reason is that each assumes the existence of an authorial work, and cannot therefore be invoked to determine what an authorial work is for the purpose of copyright law.

Future challenges for the European conception of copyright subject matter

Implicit in the discussion to this point has been that an author is a natural person; someone who exploits the scope for free and creative choices afforded by a certain type of expressive object to produce a work that reflects her personality. That is consistent with European legislation, and with the Berne Convention, which make it clear that the existence of an authorial work requires one or more authors,[79] and that authors are, with limited policy-based exceptions, human beings.[80]

77 N. 28.

78 Info. Soc. Dir. Recital (9) ("Any harmonization of copyright and related rights must take as a basis a high level of protection, since such rights are crucial to intellectual creation") and Art. 2 ("Member States shall provide for the exclusive right to authorise or prohibit direct or indirect, temporary or permanent reproduction by any means and in any form, in whole or in part (a) for authors, of their works;…"); n. 51.

79 Term Dir. Arts 1 and 2.

80 For European legislation see Term Dir. Recitals (6), (7), (14) and (21) and Art. 1. For the Berne Directive see BC Art. 7(1); S Ricketson and JC Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond Vol I* 2nd edn 2005 OUP) paras 7.12–7.13 ("the Convention's drafters and revisers implicitly took for granted that 'author' refers to natural persons" … The personal nature of the traditional Berne conception of authorship warrants emphasis."). The exceptions are for cinematographic and audiovisual works, the authors of which are deemed under European law to include the principal director, and may also be deemed by Member States to include others, and for computer programs and databases, the authors of which may similarly be deemed by Member States to be or include a legal person: Term Dir. Art. 2; Council Directive 93/83/EEC on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission [1993] OJ L 246/15 Art. 1.5; Software Dir.

This returns us to the point in the Introduction, that in Europe at least, both the justifications for copyright's existence and the scope of its protections are tied closely and inextricably to the subject matter it protects. From a theoretical perspective, for example, the conception of authors as persons who, through acts of intellectual creation, instantiate their personhood in expressive objects, reflects a Hegelian view of property, and a distinctively Germanic way of conceiving copyright.[81] Consider, for example, the following description of "property" in Hegel's *Elements of the Philosophy of Right*:

> A person must give himself an external sphere of freedom in order to have being as Idea. … The rational aspect of property is to be found not in the satisfaction of needs but in the superseding of mere subjectivity of personality. Not until he has property does the person exist as reason. Even if this first reality of my freedom is in an external thing and is thus a poor kind of reality, the abstract personality in its very immediacy can have no other existence than in the determination of immediacy.[82]

This passage was not directed to acts of authorial creation or copyright. Nonetheless, it supports a view of authorship as involving the instantiation of personhood and the realization of individual freedom in the external (non-subjective) sphere, via the creation of objects separate from but reflecting the self. The recognition and protection of those objects by property is defended as a means of protecting individual freedom, by supporting each person's capacity for self-expression and through it of self-creation. Conversely, freedom itself is a means by which each person is able fully to realize her own potential, consistent with the view of western analytical legal philosophers that to be free is to have a sufficient range of choices to be able meaningfully to determine one's own path and thereby "author" one's own life.[83] Property then is a right of personhood and of personality, with copyright being the paradigm.

In European law, these theories of authorship and copyright are clearly reflected; most obviously in the "author's own intellectual creation" conception of originality, but also in other areas. These include, for example, the efforts of the CJEU: to protect the freedom of authors to make transformative uses of related rights subject matter;[84] to protect authors from others' use of their works to convey discriminatory or other

Art. 2.1; Database Dir. Art. 4.1. See also BC Art. 15(2); Ricketson and Ginsburg, paras 7.12 to 7.14 (arguing that the exception confirms the rule of authors as natural persons).

81 See, e.g., the German Copyright Law of 1965, Art. 2(2) ("only personal intellectual creations shall constitute works within the meaning of this Law").

82 GWF Hegel, *Hegel: Elements of the Philosophy of Right* (1991 CUP; ed. AW Wood; transl. HB Nisbet) 73.

83 See, e.g., J Raz, *The Morality of Freedom* (1988 OUP) 98, 155 (describing people as "part authors of their own moral world" and "autonomy as (part) authorship of one's life"); also J Finnis, *Natural Law and Natural Rights* (2nd edn 2011 OUP) 272 (arguing that individuals can only be selves, in the sense of having the dignity of being responsible agents, if they are allowed and assisted to create a subsisting identity across their life time); R Nozick, "Coercion" in S Morgenbesser, P Suppes and MT White (eds), *Philosophy, Science, and Method* (1969 Macmillan) 440–472 (treating coercion as undermining individuals' authorship of their action).

84 See, e.g., Case C-476/17 *Pelham GmbH* v. *Ralf Hütter* ECLI:EU:C:2019:624 (29 July 2019) [31] (deciding that the unauthorized reproduction of a sound sample from a phonogram for use in modified form unrecognizable to the human ear in a new authorial work in exercise of the user's right to freedom of the arts will not infringe the related rights of the phonogram producer under the InfoSoc Directive).

dignity-detracting messages;[85] and to require third parties to help authors enforce their copyright.[86] They also include the requirement that authors be afforded a high level of protection, and that copyright be available only to authors specifically.[87] In contrast to other jurisdictions, where copyright is conceived in purely instrumentalist terms, there is therefore (or should be at least) no scope for protecting by copyright works produced by a machine or animal, including an intelligent one, regardless of the work's formal expressive properties; a conclusion supported also by the non-formalistic conception of original works proposed above.

Technological developments have long challenged conceptions of copyright as an author's right in ways of relevance for its subject matter. Photography and computer programming are only two examples of this. More recently, the existence of machines able to generate objects whose expressive properties are indistinguishable from those of traditional authorial works has challenged assumptions regarding the need for a human act to produce objects having certain literary and artistic expressive properties. The result may be to require closer attention than previously to the origins of individual works to ensure that they originate in an act of authorship.[88] The increasing sophistication of work-generating machines may also devalue the acts of human authorship protected by copyright, and require authors to develop new business models for exploiting their creative work. Beyond these effects however, the prospect of intelligent machines should pose no conceptual threat to copyright subject matter. What artificial intelligence and other transformative technologies[89] do instead is

85 See, e.g., Case C-201/13 *Johan Deckmyn and Vrijheidsfonds VZW v. Helena Vandersteen* ECLI:EU:C:2014:2132 (3 September 2014) [21]–[22] (deciding that the unauthorized reproduction of a copyright work for parodic purposes will only fall within the parody exception of the InfoSoc Directive if it reflects a fair balance of fundamental rights, including the right of the original author or copyright owner not to have her work associated with a discriminatory message).

86 See, e.g., Case C-275/06 *Productores de Música de España (Promusicae) v Telefónica de España SAU* [2008] ECR-I271 (confirming the liability of information society service providers under the InfoSoc Directive and Directive 2000/31/EC on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market [2000] OJ L 178/1 to injunctive measures aimed at assisting copyright owners to enforce their copyright against users of the providers' services).

87 See, e.g., Info. Soc. Dir. Recital (9) (n. 78); Sections 4 and 5.

88 See E Stanková, "From Creativity Requirements Towards Creativity Tests" (unpublished paper presented in Zurich, September 2019; on file with the author) (arguing that attention should be given to whether the tests currently in use by European courts to assess the existence of an authorial work are able to distinguish human-generated from machine-generated objects, and that the tests in use by UK and German courts currently are not able to distinguish them).

89 These include the Internet, despite descriptions of it as enabling "a different kind of art object" in the form of "net art": K Foster, "Net Art: The Works that Were Conceived and Born Online", *Financial Times* 8 June 2020, https://www.ft.com/content/224d7ecc-9f37-11ea-b65d-489c67b0d85d (last accessed 31 July 2020). On the nature of net art see further M Clarke, *The Concise Oxford Dictionary of Art Terms* (2nd edn 2010 OUP) ("Originating in the 1990s, ["net art"] describes art created on or for the Internet, utilizing sites like Myspace (www.myspace.com) and YouTube (www.youtube.com) for the exhibition of such work."). See also Foster (ibid.) ("Net art evades clear definition, but [Olia] Lialina's work represents some of the genre's most recognizable features in the way it probes the storytelling possibilities of browser software while also celebrating the Internet's ephemerality. Glitches are a common conceit. For instance, the illusion of the swing's movement in 'Summer' is made possible as the page is redirected to different images hosted on separate websites, creating a kind of flip-book effect which propels Lialina (herself the model) back and forth on our screen. The work relies on its hosts to maintain the websites; if these cease to function, the swing's movement becomes increasingly broken. In a new book, curator and researcher Annet Dekker sees this participatory element as essential: 'As such, [Summer] shows how art on the net is not only about technology but also just as much about human involvement.").

underline the socially evolving nature of authorship as a creative human practice, and the need for legal conceptions of the authorial works protectable by copyright to reflect this. As long as those conceptions focus exclusively on the formal expressive properties of objects, and ignore the constitutive importance of a work's origins, they will fall short in this respect. This is one aspect of existing European copyright jurisprudence that merits reconsideration by the CJEU.

References

DL Burk, "Copyrightability of Recombinant DNA Sequences" (1989) 29 *Jurimetrics* 469–532, https://doi.org/10.31235/osf.io/v28w6

M Clarke, *The Concise Oxford Dictionary of Art Terms* (2nd edn 2010 OUP), https://doi.org/10.1093/acref/9780199569922.001.0001

J Finnis, *Natural Law and Natural Rights* (2nd edn 2011 OUP).

K Foster, "Net Art: The Works that Were Conceived and Born Online", *Financial Times*, 8 June 2020, https://www.ft.com/content/224d7ecc-9f37-11ea-b65d-489c67b0d85d

K Gray, "Property in Thin Air" (1991) 50 *The Cambridge Law Journal* 252–307, https://doi.org/10.1017/s0008197300080508

F Green, "Mixed Questions of Law and Fact" (1901) 15 *Harvard Law Review* 271–280, https://doi.org/10.2307/1323596

GWF Hegel, *Hegel: Elements of the Philosophy of Right* (1991 CUP; ed. AW Wood; transl. HB Nisbet), https://doi.org/10.1017/cbo9780511808012

C Hesse, "The Rise of Intellectual Property, 700 B.C.–A.D. 2000: An Idea in the Balance" (2002) 131 *Daedalus* 26–45.

N Lucchi, "Copyrightabiity of Engineered DNA Sequences" in E Bonadio and N Lucchi (eds), *Non-Conventional Copyright: Do New and Atypical Works Deserve Protection?* (2018 Edward Elgar) 367–381, https://doi.org/10.4337/9781786434074.00027

R Nozick, "Coercion" in S Morgenbesser, P Suppes and MT White (eds), *Philosophy, Science, and Method* (1969 Macmillan) 440–472.

J Pila, "Copyright and its Categories of Original Works" (2010) 30 *Oxford Journal of Legal Studies* 229–254, https://doi.org/10.1093/ojls/gqq009

J Pila and PLC Torremans, *European Intellectual Property Law* (2nd edn 2019 OUP), https://doi.org/10.1093/he/9780198831280.001.0001

J Raz, *The Morality of Freedom* (1988 OUP), https://doi.org/10.1093/0198248075.001.0001

S Ricketson and JC Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond Vol I* (2nd edn 2005 OUP).

E Stanková, "From Creativity Requirements Towards Creativity Tests" (unpublished paper presented in Zurich, September 2019; on file with the author).

AW Torrance, "DNA Copyright" (2011) 46 *Valparaiso University Law Review* 1–41.

Case law

EU case law

Case C275/06 *Productores de Música de España (Promusicae) v Telefónica de España SAU* [2008] ECR I271

Case C-5/08 *Infopaq International A/S v. Danske Dagblades Forening* ECLI:EU:C:2009:465 (16 July 2009)

Case C-393/09 *Bezpečnostní softwarová asociace - Svaz softwarové ochrany v Ministerstvo kultury v. Ministerstvo kultury* ECLI:EU:C:2010:816 (22 December 2010)

Joined Case C-403/08 and C-429/08 *Football Association Premier League Ltd v. QC Leisure and Karen Murphy v. Media Protection Services Ltd* ECLI:EU:C:2011:43 (3 February 2011) (AG)

Joined Case C-403/08 and C-429/08 *Football Association Premier League Ltd v. QC Leisure and Karen Murphy v. Media Protection Services Ltd* [2011] ECR I-09083 (4 October 2011)

Case C-145/10 *Eva-Maria Painer v. Standard Verlags GmbH* [2011] ECR I-2533 (1 December 2011)

Case C-604/10 *Football Dataco Ltd v. Yahoo! UK Ltd* ECLI:EU:C:2012:115 (1 March 2012)

Case C-406/10 *SAS Institute Inc. v. World Programming Ltd* ECLI:EU:C:2012:259 (2 May 2012)
Case C-201/13 *Johan Deckmyn and Vrijheidsfonds VZW v. Helena Vandersteen* ECLI:EU:C:2014:2132 (3 September 2014)
Case C-117/15 *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v. Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte eV (GEMA)* ECLI:EU:C:2016:379 (31 May 2016)
Case C–310/17 *Levola Hengelo BV v. Smilde Foods BV Deutschland* ECLI:EU:C:2018:899 (13 November 2018)
Case C-476/17 *Pelham GmbH* v. *Ralf Hütter* ECLI:EU:C:2018:1002 (12 December 2018) (AG)
Case C–469/17 *Funke Medien NRW GmbH v. Bundesrepublik Deutschland* ECLI:EU:C:2019:623 (29 July 2019)
Case C-476/17 *Pelham GmbH* v. *Ralf Hütter* ECLI:EU:C:2019:624 (29 July 2019)
Case C-683/17 *Cofemel – Sociedade de Vestuário SA* v. *G-Star Raw CV* ECLI:EU:C:2019:721 (12 September 2019)
Case C-833/18 *Brompton Bicycle Ltd v. Chedech/Get2Get* ECLI:EU:C:2020:461 (11 June 2020)

Domestic case law

Tate v. Fulbrook [1908] 1 KB 821
Hugh Hughes Green v. Broadcasting Corporation of New Zealand [1989] RPC 700, [1989] UKPC 26
Laras Tochter I ZR 65/96 (BGH, 29 April 1999) [1999] GRUR 984–988
Designers Guild Ltd v. Russell Williams (Textiles) Ltd (UK HL, 23 November 2000) [2000] 1 WLR 2416
IPC Media Ltd v. Highbury-Leisure Publishing Ltd [2004] EWHC 2985 (Ch), [2005] FSR 20
LucasFilm Ltd v. *Ainsworth* [2008] EWHC (Civ) 1878, [2009] FSR 2
The Newspaper Licensing Agency Ltd v. Meltwater Holding Bv [2011] EWCA Civ 890, [2012] RPC
Oracle America, Inc v. Google Inc, 750 F3d 1339 (Fed Cir 2014)
Carey v. Mediaset SpA (It. Cass. (I), 6 June 2018) [2019] IIC 500–507
Google LLC v. Oracle America, Inc, No 18-956

5

THE *COFEMEL* REVOLUTION – ORIGINALITY, EQUALITY AND NEUTRALITY

Marianne Levin[*]

Abstract

The chapter looks at developments in the interface between copyright and design law before and after the judgment of the Court of Justice of the European Union (CJEU) in *Cofemel* (C-683/17). The question referred for preliminary ruling was whether the Court's already established originality threshold for protection of works under copyright law in the *Infopaq* decision (C-5/08) may be qualified for certain types of goods such as applied art/design, where there has been a widespread perception that such works must be 'more original' in order to enjoy copyright protection. The answer is no. Under EU law, all authors and their works are equal and subject to the same requirement. That is originality, which must not be flavored by subjective values such as good or bad, valuable or aesthetical. The 'revolutionary' effect of *Cofemel* is the confirmation of the neutral originality requirement and the introduction of an EU cumulation on this basis. Applied art/aesthetical design works that correspond to the 'work' standard of the CJEU shall enjoy copyright, irrespective of their function or usefulness. This is not identical to the concept of '*unité de l'art*' where every protectable design under special design law also enjoys copyright.

Contents

Abstract 82
An outlook from the *Cofemel* decision 83
How the revolution got air under the wings 85
No way back from *Infopaq* 86
No added value or subjective assessments 88
But how did we suddenly get this far? 89
Originality, of course, but what does it mean now? 90
All you need is a 'work' 92

[*] Senior Professor at Stockholm University, LLD, PhD *honoris causa* (Hanken), Chair of the Swedish Association for the Protection of Intellectual Property Rights, and one of four persons who at the then Max Planck Institute for Intellectual Property and Competition law in 1990 proposed a new European Design legislation which formed the basis for the developments of the present law in the EU. Professor since 1989 and holder of one of the four chairs in private law 1993 to 2009.

In addition to Eleonora Rosati's discerning editing, the author would like to sincerely thank Lydia Lundstedt, today Senior Lecturer at Stockholm University but once my doctoral student and, even before that, my student secretary, for her as always thoughtful and valuable proofing and comments to this chapter.

Don't stumble on the functionality stone 93
No categorization of works 94
Is a spare part a work? 95
No *l'unité de l'art* but EU cumulation 97
References 99

An outlook from the *Cofemel* decision

The decision in *Cofemel – Sociedade de Vestuário SA v G-Star Raw CV* ('Cofemel')[1] of 12 September 2019 is a natural trigger for the following discussion. This is another in a line of so-called landmark rulings of the Court of Justice of the European Union (CJEU) in the copyright field with far-reaching consequences.[2] The decision influences and changes both the protection of applied art/designs[3] and other works under copyright law.[4] The outcome is as such most logical and consistent with the Court's previous interpretations of EU copyright law, although maybe somewhat unexpected from an academic copyright perspective.[5] Copyright proponents have frequently held that certain creative works are more equal than others and on that basis maintained that some applied art/design works did not necessarily qualify for copyright protection.[6] There is an old continental European tradition of preferably keeping copyright free from 'other things' than 'pure art' and 'real literature'[7] – whatever that possibly could be in 2020 when AI, with programming and systematically or methodically arranged collections of data or other materials, is taking over a huge part of what we in the past have called sophisticated skilled intellectual work.[8]

1 C-683/17, EU:C:2019:721 ('Cofemel').

2 For someone who has spent the past 40 years wondering and thinking of a sensible solution for the cumulative protection between copyright and design law, this decision comes both as a climax and an anti-climax. See Marianne Levin, *Formskydd* (The Protection of Form), (Liber 1984).

3 Applied art/designs is a generally used expression to cover the artistic contributions of the makers of knick-knacks, jewelry, gold and silverware, furniture, wallpaper, ornaments, clothing, etc. See WIPO, *Guide to the Berne Convention* (1978) 16.

4 For an argument against a cumulative solution by referring to bad experiences in the UK, see Lionel Bently, 'The Return of Industrial Copyright?' *EIPR* (2012) 654–672. For an account of what happened in the UK in ambitious attempt to solve spare parts, see Lionel Bently, 'The Design/Copyright Conflict in the United Kingdom: A History' in Estelle Derclaye (ed), *The Copyright/Design Interface: Past, Present, and Future* (Cambridge University Press 2018) 171–225. Cf the Opinion of the European Copyright Society (ECS) in relation to the pending reference before the CJEU *in Cofemel v G-Star*, C-683/17' with alternative suggestions at https://europeancopyrightsociety-dotorg.files.wordpress.com/2018/11/ecs-opinion-cofemel_final_signed.pdf (last accessed 2020-08-07).

5 See Michael Richter and Robin Landolt, 'Shift of Paradigm for Copyright Protection of the Design of Products' *GRUR International* 2019, 125.

6 Just to mention a few contributors in Estelle Derclaye (ed) (2018): Antoon Quaedvlieg, 'The Copyright/Design Interface in the Netherlands,' 36, who at 51 supports Bently's arguments and view; Lionel Bently (2018), 171, who finishes his historic exposé at 225 by asking: 'Can it really be the case that to incentivise optimal levels of design of clocks, tables, lamps, chairs, wall-paper and dresses, it is necessary to confer rights lasting for seventy years after the designer's life?', and Ansgar Ohly, 'The Case for Partial Cumulation in Germany', 128, who finishes at 170 by stating that a total cumulation between copyright and design law would be going too far.

7 Although EU harmonization has narrowed the doctrine of 'sweat of the brow' to the 'droit d'auteur' with many variations from Finland in the North to Spain in the South, none of these really fit into the modern originality concept as interpreted and developed by the CJEU.

8 Cf in that context the protection under Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, OJ L 77, 27.3.1996, pp. 20–28, and Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs, OJ L 111, 5.5.2009, pp. 16–22, which replaced Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, OJ L 122, 17.5.1991, pp. 42–46.

Yes, the *Cofemel* decision was bound to come as a logical continuation on the interpretations of EU copyright law and practice in the development of the information society under Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 of certain aspects of copyright and related rights in the information society (InfoSoc Directive).[9] For the past 25 years, copyright belongs to the digital world, with big players, big power and a main interest in the revenues from intellectual property (IP); not its content. The current copyright/design problem of cumulation and which way to choose has hopefully been solved now, with only marginal issues remaining. This problem has been obvious and intensively discussed for more than half a century among academics, in courts, and in other world economies with other values.[10] European countries have – albeit with some variation – been grouping in mainly three categories of cumulation between copyright and design rights: total, partial and none.[11] This has continued to be true – until the *Cofemel* decision.

In 1994, the Agreement on Trade-Related Intellectual Property Rights (TRIPS) was adopted. This marked a shift in approach from the last sparks of idealism in IP protection as contained in Article 27 of the Universal Declaration of Human Rights.[12] The World Trade Organization (WTO)'s definition of IP as 'rights given to persons over the creations of their minds' might tell us what it is all about, namely 'to provide protection for the results of investment in the development of new technology, thus giving the incentive and means to finance R&D activities'.[13] A generic reflection of the economic approach that has been developing ever since is the noticeable tendency to include more and more under IP protection as soon as investments are made.

This is not least true for copyright and design law that corresponded to the general academic tendency in the 1990s, where 'the aim was not a fair balance between protection and the public domain, but an optimal protection of designers which left as few gaps as possible'.[14] And even if the idea of an unregistered design in Article 19(2) of Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs[15] ('CDR') was to take care of the unfair copying in the EU market for a limited time until the designer or company had established their position, the common view was that the fast selling and therefore valuable products even though they are neither pure art nor literature in the classical sense should not be free to copy.

Personally, I appreciate and support the *Cofemel* decision. Not because it changed anything in my understanding of what was happening in the EU IP world – unlike the decision

9 OJ L 167, 22.6.2001. Cf the additional Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market, OJ L 130, 17.5.2019, pp. 92–125.

10 See, e.g., Mogens Koktvedgaard, *Konkurrenceprægede immaterialretspositioner* (Copenhagen 1965); Marie Angel Perot-Morel, *Les principes de protection de dessins et modèles dans les pays du Marché Commun* (Mouton 1968); Brigitte Englert, *Grundzüge des Rechtsschutzes der industriellen Formgebung*: Ein Beitr. zur Reform d. dt. Geschmacksmusterrechts, Vol. 45 Schriftenreihe zum gewerblichen Rechtsschutz (Heymanns 1978); Marianne Levin *Formskydd* (Liber 1984).

11 Marianne Levin, 'Der Schutz für Formgebungen: Eine Rechtsvergleichende Studie über den Schutz des Industriedesigns in den Ländern Schweden, Norwegen, Dänemark, Finnland, Bundesrepublik Deutschland, Benelux, Italien, Frankreich England und USA', *GRUR International* (1985) 713.

12 Article 27: '(1) Everyone has the right freely to participate in the cultural life of the community, to enjoy the arts and to share in scientific advancement and its benefits. (2) Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author'. See also on the balance, judgment of 29 July 2019, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, Case C-476/17, EU:C:2019:624, para 32.

13 Marianne Levin, 'The Pendulum Keeps Swinging – Present Discussions On and Around the TRIPS Agreement' in Annette Kur with Marianne Levin, *Intellectual Property Rights in a Fair World Trade System: Proposals for Reform of TRIPS* (Edward Elgar 2011) 13.

14 Ansgar Ohly, 'The Case for Partial Cumulation in Germany', in Estelle Derclaye (ed) (2018) pp. 128, 156.

15 OJ L 3, 5.1.2002, pp. 1–24.

in *Infopaq International A/S / Danske Dagblades Forening* ('Infopaq') of 16 July 2009.[16] But *Cofemel* represents a final, logical and clean judicial solution to what could be called a discrimination problem. As is well known, not even under the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention) are all original (artistic) works equal.[17]

The next step is to adapt to the foreseeable future of what has been perceived as a total cumulation *à la française* after *Cofemel* by Annette Kur[18] and, before her, in the European Commission's *Legal Review on Industrial Design Protection in Europe* ('Legal Review').[19] Even if *Cofemel* is a game changer that has answered many outstanding questions, some additional consequences of a far-reaching cumulation have been identified in the EU Commission's Legal Review and discussed by Annette Kur with suggestions for further synchronization of certain aspects of the copyright/design law interface by the CJEU.[20] However, as I shall come back to in the final part of this contribution, I cannot find that we have landed precisely in the French solution of *unité de l'art*,[21] later followed by Benelux 1987.[22]

How the revolution got air under the wings

Cofemel concerned copied designs for jeans and t-shirts produced by G-Star Raw, i.e., possibly works of applied art, and whether there would be protection in such a case under the Portuguese Code on Copyright and Related Rights. Article 2 therein stated that protection is available to '[…] industrial designs and works of design which constitute an artistic creation […]'.[23] After the decision in *Infopaq* such a requirement of a certain artistic or aesthetic quality could be questionable. Therefore, in 2017, the Portuguese Supreme Court posed two questions to the CJEU for a preliminary ruling on Member States' freedom to choose the level of originality pertaining to works of applied art, industrial designs and design works.[24]

16 Judgment of 16 July 2009, *Infopaq International A/S / Danske Dagblades Forening*, Case 5/08, EU:C:2009:465 ('Infopaq').

17 Cf Article 7(4) of the Berne Convention.

18 Annette Kur, '*Unité de l'art* is Here to Stay – *Cofemel* and its Consequences' (April 2020) *Journal of Intellectual Property Law & Practice*, 15(4), 290–300, https://doi.org/10.1093/jiplp/jpaa035.

19 European Commission, *Legal Review on Industrial Design Protection in Europe* (2016) 149 available at https://ec.europa.eu/docsroom/documents/18921/attachments/1/translations/en/renditions/native (last accessed 2020-08-07). In a similar sense, Eleonora Rosati, 'The Cofemel Decision Well Beyond the "Simple" Issue of Designs and Copyright' (DesignWrites, 17 September 2019), https://designwrites.law/the-cofemel-decision-well-beyond-the-simple-issue-of-designs-and-copyright/ (last accessed 2020-08-07).

20 Kur (2020) 297–300.

21 See the French Supreme Court, CCrim 2 mai 1961 'Panier à salade'. Cf on the developments Marie Angel Perot-Morel (1968) and Yves Gaubiac, 'La théorie de l'unité de l'art', RIDA No 111 (1982) 43, and more recently Anne-Emmanuelle Kahn, 'The Copyright/Design Interface in France' in Estelle Derclaye (ed) (2018), 7–35.

22 See Benelux Court of Justice May 22 May 1987, *Screenoprint*, appealed from The Netherlands.

23 G-Star, which produces jeans, t-shirts and sweatshirts, brought an action in 2013 before a Portuguese court of first instance against Cofemel on seizure because of copyright infringement and unfair competition in relation to its ARC and ROWDY designs. G-Star claimed that their clothing were original intellectual creations, i.e., 'works' protected by copyright, while Cofemel's defense was, inter alia, that such clothing designs could not be classified as 'works' entitled to such protection.

24 '(1) Does the interpretation by the Court of Article 2(a) of Directive 2001/29 preclude national legislation – in the present case, the provision in Article 2(1)(i) of the Code on Copyright and Related Rights – which confers copyright protection on works of applied art, industrial designs and works of design *which, over and above their practical purpose, create their own visual and distinctive effect from an aesthetic point of view, their originality being the fundamental criterion which governs the grant of protection in the area of copyright?*

For the CJEU, it sufficed to answer the first question and state that Article 2(a) of the InfoSoc Directive must be interpreted as 'precluding national legislation from conferring protection, under copyright, to designs such as the clothing designs at issue in the main proceedings, on the ground that, over and above their practical purpose, they generate a specific, aesthetically significant visual effect'.[25] In other words, after this decision, Member States can no longer require the fulfilment of such requirement for the protection of works of applied art or design – or any other protectable object: the fact that an object, beyond its useful purpose, generates a distinctive and significant visual effect from an aesthetic viewpoint should not be a decisive factor. The only permissible criterion is 'the author's own intellectual creation', i.e., what can now be called the new *EU copyright standard*. This conclusion followed mainly from Advocate General (AG) Maciej Szpunar's Opinion in *Cofemel*.[26]

The *Cofemel* decision is a clear example of the multifunctionality of design and the nightmare it entails trying to classify and evaluate design and other artistic creations that should not only adorn but also be used. Artistry, beauty, functionality, distinctiveness – good design has it all. The Max Planck Study Group and subsequently the EU legislator may have succeeded in creating a modern statutory framework for designs, but all attempts to avoid overlaps with neighboring IP regimes have been unsuccessful.[27] The political discussions on design got stuck on partly the regulation of spare parts, which is still an unfinished business,[28] and partly a provision on mandatory cumulation between copyright and design in Articles 17 of Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs[29] ('DDir') and 96(2) CDR, both allowing the national Member State law to decide the threshold for copyright protection – until *Cofemel*.[30]

No way back from *Infopaq*

Indeed, since *Infopaq* many have felt the new wind, while remaining uncertain of how hard it would be blowing and assumed that the EU originality requirement on the expression of the author's own personal creation should be flexible and generous enough to swallow national protection requirements with their various related qualifications. In hindsight, it is interesting to see how unaware everybody seemed to be of the Court's strong ambition to harmonize EU copyright law, which was a higher objective than to listen to the representatives of the different copyright traditions in the Member States.[31]

The confirmation of the firm, permanent and inevitable impact of the *Cofemel* decision came less than a year later, through the highly anticipated judgment of 11 June 2020 in *SI and*

(2) […] if, in the light of a particularly rigorous assessment of their artistic character, and taking account [of] the dominant views in cultural and institutional circles, they qualify as an 'artistic creation' or 'work of art'? (emphasis added)

25 *Cofemel*, para 55.

26 Opinion on 2 May 2019, ECLI:EU:C:2019:363.

27 Ansgar Ohly, 'Buy Me Because I am Cool' in Annette Kur, Marianne Levin and Jens Schovsbo (eds), *The EU Design Approach* (Edward Elgar 2018) 109 f.

28 Cf Article 110 CDR.

29 OJ L 289, 28.10.1998, pp. 28–35.

30 Notwithstanding that also other overlaps can be interesting, inspiring and problematic, the copyright/design relation is special because the same subject matter, the form, is protected, while in other cases of overlaps the object of protection is not identical and has another objective. Cf Estelle Derclaye and Matthias Leistner. *Intellectual Property Overlaps: A European Perspective* (Hart Publishing 2011) with a thorough, practical and methodological approach, 3–5.

31 Cf Gernot Schulze, 'Harmonisierung des urheberrechtlichen Werkbegriffs?' *GRUR* 2009, 1019–1022.

Brompton Bicycle Ltd v Chedech / Get2Get ('Brompton Bicycle').[32] With this decision, the (so to say) last bastion for the opponents against broad double protection between special design law and copyright finally fell. Not only did the Court confirm its copyright standard formula from the *Cofemel* decision[33] but it also clarified another misunderstanding: functionality does not exclude copyright protection as long as there is room for an original expression in the copyright sense. This was also a natural consequence after the explicit rulings that copyright does not protect features of a work that are predetermined by technique or function, and therefore not based on free and creative choices as explained by comparing the following line of cases from 2010–2012: *Bezpečnostní softwarová asociace - Svaz softwarové ochrany / Ministerstvo kultury* ('BSA'),[34] *Football Association Premier League Ltd and Others / QC Leisure and Other* ('FAPL'),[35] *Eva-Maria Painer / Standard VerlagsGmbH and Others* ('Painer'),[36] *Football Dataco Ltd and Others / Yahoo! UK Ltd and Others* ('Football Dataco')[37] and *SAS Institute Inc. / World Programming Ltd* ('SAS Institute').[38]

Indeed, it is only where no room for creative freedom is left that subject matter cannot be regarded as possessing the originality required for it to constitute a 'work' and be eligible for copyright protection (on the notion of work, see the discussion in Chapter 4). As such, a partly functional shape is in principle protectable by copyright. *Brompton Bicycle* adds a new line to other CJEU case law which has harmonized the concept of 'work' under EU copyright law. In this light, it is probably good for the UK to be on its way out of the EU, as commentators have questioned whether current UK copyright law on the protection for functional designs is compatible with EU law.[39]

Copyright in applied art is sandwiched between the originality requirement of *Infopaq*,[40] and the need to be useful and functional. 'According to *Painer*, originality requires that there is sufficient room for the author to make free and creative choices in the production of the work that express their creative abilities and reflect the author's personality – but without any particular degree of aesthetic or artistic value'.[41] The resulting 'work' of art, literature or science must however be identified with sufficient precision and objectivity.[42] An obvious limitation is thereby given by *Brompton Bicycle*,[43] namely 'where the realisation of a subject matter has been dictated by technical considerations, rules or other constraints which have left no room for creative freedom'.[44] Such a work cannot be original.

32 Case C-833/18, EU:C:2020:461.

33 *Cofemel*, paras 29–32.

34 Judgment of 22 December 2010, *Bezpečnostní softwarová asociace – Svaz softwarové ochrany / Ministerstvo kultury*, Case C-393/09, EU:C:2010:816 ('BSA'), paras 48–49.

35 Judgment of 4 October 2011, *Football Association Premier League Ltd and Others / QC Leisure and Others, and Karen Murphy / Media Protection Services Ltd*, Joined Cases C-403/08 and C-429/08, EU:C:2011:631 ('FAPL',) paras 97–98.

36 Judgment of 1 December 2011, *Eva-Maria Painer / Standard VerlagsGmbH and Others*, Case 145/10, EU:C:2011:798 ('Painer'), paras 88, 89 and 94.

37 Judgment of 1 March 2012, Football Dataco Ltd and Others, Case C-604/10, EU:C:2012:115 ('Football Dataco'), para 33.

38 Judgment of 2 May 2012, SAS Institute Inc. / World Programming Ltd, Case C-406/10, EU:C:2012:259 ('SAS Institute').

39 Penelope Thornton and Alastair Shaw, 'Brompton is bad news for the UK?' World IP Review 22-06-2020.

40 Paras 35, 37.

41 Paras 87–89.

42 Sports do not correspond to that definition, cf *FAPL*, para 98, nor do smell or taste under *Levola Hengelo*, para 40.

43 Paras 22–23.

44 *Brompton Bicycle*, para 24.

No added value or subjective assessments

In *Levola Hengelo* both AG Melchior Wathelet[45] and the CJEU concluded that taste could not be a work under copyright law because it lacks what is possibly the most important characteristic of a work, that is its identifiability with sufficient precision and objectivity.[46] In this way, the minimum requirements of a protectable work were concretized and explained. Irrespective of any required skills and talents, a taste (as well as a smell) is not a 'work'. In the Berne Convention this is not said expressly, but could perhaps have filled out the explanation of the protectable subject matter under EU law. This position is however implied. The CJEU judgments in both *Infopaq* and *Levola Hengelo* refer to the Berne Convention as the logical background.

At the EU level[47] and as things currently stand, neither a taste nor a smell could constitute a literary, artistic or scientific work.[48] Access to copyright seems to require visual, tactile or other mind activating features, achievements that can be seen/felt or understood objectively in a similar way by the public, experts, the court or another assessing body. As a follow-up to *Levola Hengelo*, it has been questioned if the *Cofemel* decision also imposes a mandatory fixation requirement under EU law[49] (similar to the UK and the USA). If intended,[50] such a requirement could be worrying in theory, but it is hardly in practice. Where you have to prove your case, there is a de facto fixation requirement.[51]

Artistic quality requirements are difficult, if not impossible to handle within the rule of law; also disregarding the various 'schools' of thought, such an approach is burdened by being partly purely subjective. Art or legal expert opinions come easily in direct conflict with the demand for artistic freedom and innovation. Modern art, for example, would have never been accepted as such if the decision had been left to those established in the more classical schools, and copyright would have never been granted to new works if traditionalists had acted as experts in disputes.[52] Therefore, the international copyright doctrine has often stated that copyright must not be made dependent on artistic quality requirements. Even 'bad' art is artistic in the sense of copyright.

This all sounds perfect in theory, and the theory of a value free copyright might also hold fully and broadly as long as we stay within the concept of classical works of art that hardly create any problems. The variety of possibilities is endless. Recognizing someone's exclusive right to a work will not slow others down in their artistic pursuits, nor is there a need to copy or even to come close to another's work for reasons other than taking unfair advantage and free riding on someone else's efforts. However, when we move toward the

45 Opinion of AG Melchior Wathelet on 25 July 2018, EU:C:2018:618, paras 61, 62.

46 Paras 42–46.

47 Cf the Dutch Supreme Court on 16 June 2006, LJN AU8940 (Kecofa/Lancôme) and see Antoon Quaedvlieg *Revue internationale du droit d'auteur* (2011) 6 for a recapitulation of different (primarily Dutch) views on copyright for fragrances, at https://klos.nl/wp-content/uploads/2017/07/Quaedvlieg_Copyright_and_Perfume.pdf (last accessed 2020-08-06). In France copyright, fragrances have been denied copyright protection as a matter of principle by the French Supreme Court (Cour de cassation Commercial Chamber) 10 December 2013 – Case No. 11-19.872 (Trésor-Armani-Mania).

48 The Opinion of AG Wathelet on 25 July 2018 does not disregard that techniques may be developed and lead to protection under copyright or other means, para 57. Neither does the Court rule out such a possibility, para 43.

49 Eleonora Rosati, 'Round-up of CJEU Copyright Decisions in 2019', (2020) *Journal of Intellectual Property Law & Practice* 15, 274 f.

50 Cf however Levola Hengelo, para 40, showing awareness of the 'problem'.

51 Caterina Sganga, 'The notion of "work" in EU copyright law after Levola Hengelo: one answer given, three question marks ahead', (2019) EIPR 415–424.

52 Today, we know that art is a type of borderless phenomenon, and inter alia encompasses conceptual art, performance and pop art, music and any means of human expression like post digitalism and 3D scanning as tools.

more technological or applied art parts of copyright, things are different or, at least, more complicated from a competition perspective, as other strong considerations apply. This is clearly expressed in *Cofemel* and should not change the standard for copyright eligibility but rather create awareness when the scope of protection is determined.[53] Finally, it is clear that copyright is not a matter of beauty or taste.[54]

But how did we suddenly get this far?

It was not suddenly that we reached the value neutral copyright: it was progressively, piece by piece, where each building block made it impossible to back up or step aside. This phase started almost three decades ago, with the invasion of computer programs and databases into the global and European IP sphere, where the conclusion of the TRIPS Agreement in 1994 made the change obvious to the world. A hundred years earlier, protecting design as art and vice versa was not such a big problem as long as the use of decorative arts had the character of ornamental art, such as 19th-century decoration painting on porcelain, etching on glass, ornamentation or sculptural design of lamps, etc. This was two-dimensional art on three-dimensional objects with extensive artistic freedom and a variety of possibilities, and the beginning of the industrial production of applied art and decorative designs: copyright protection did not collide with others' interests. It became different and difficult with the functional work of art in the first half of the 20th century, where the object's 'real' (appropriate) design expresses its use and becomes identical to its aesthetics.[55] When many have identical needs and the expressions are unilateral, the conflicts are obvious, also if copyright – in itself – is not monopolistic or barring.

Modern copyright covers such a broad range of achievements – subject to the EU originality requirement – that its original core has been partially lost. The politicization of economic investments, irrespective of public or commercial sector, and the admiration for successful launches may have led to today's protection of banal but perhaps commercially very valuable phenomena, which have helped reduce the respect for copyright law as such. Or in the words of the Swedish Copyright doyen, Stig Strömholm[56]: with computer programs and databases on board, copyright has 'lost its soul'.[57] Indeed, the EU standard for computer software and database protection[58] is now the sole reference point for the EU copyright standard. It in turn is the result of a compromise between English unqualified protection requirements and continental European, mainly German, previously very high standard for copyright protection.[59]

53 A narrow scope of protection is normally not a problem for the right holder of useful products. It is sufficient to capture the willful copies.

54 As Eleonora Rosati (2019) so wisely formulated it, there is no longer need to ask 'Mirror, mirror on the wall, who's the fairest of them all?' (see http://ipkitten.blogspot.com/2019/09/the-cofemel-decision-well-beyond-simple.html, last accessed 2020-08-07).

55 'The expedient is the beautiful' was a slogan used in the 1930s by the launching of functionalistic design that developed to the style 'Scandinavian modern' in the 1950s.

56 Dr, Dr *honoris causa* mult., and, e.g., former rector of Uppsala University.

57 Upphovsrätten i IT-åldern. Musikskapandets nya rättsliga klimat' (*Copyright Law in the IT Age), Ton och rätt* (STIM 75 years'), Justus (1998) 211, 225f).

58 Cf Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, now Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version) and Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, respectively.

59 Ansgar Ohly, 'The Case for Partial Cumulation in Germany' in Estelle Derclaye (ed) (2018), 128–170.

Therefore, in a similar vein as Strömholm, the former Director of the Max Planck Institute for Intellectual Property and Competition Law, Gerhard Schricker,[60] bid a 'Farewell to the "Level of Creativity" (Schöpfungshöhe) in German Copyright Law?',[61] which had to be abandoned after the implementation of Directive 91/250. Even with the question mark in the title, it was a factual statement and, as it seemed, without sorrow or regret. Indeed, finding that everything is no longer as before does not need to be interpreted as 'better' or 'worse', but only different. While such discoveries often seem to occur in leaps, the real development is slow and gradual, ploughing its way bit by bit. Discovering and realizing the change takes even longer.

Originality, of course, but what does it mean now?

The Berne Convention does not define 'original works', but seems to presuppose originality for protection.[62] There was a time when it was disputable if there really was a need for a unified European Economic Community ('EEC') or European Community ('EC') originality concept[63] (see also the discussion in Chapter 3). Today and for the past few decades in the EU, it seems axiomatic that in a common market there has to be one unified concept of 'originality' or 'work',[64] without which harmonization of copyright law in a 'European Union' would seem to be just lip service. But apart from the simple literal meaning of original/novel, not least in the copyright context, numerous definitions, interpretations and understandings of 'originality' have been advanced over time and in different places. While the EU Member States have been fairly free to develop their own concepts and criteria for protection over a long time, the general use of the one and same word, 'originality' as the copyright criterion, may have falsely contributed to a feeling of global harmonization and understanding.[65]

There is a long such tradition of diverging originality concepts with or without additional qualifications in the statutes and case law of the different EU Member States, each normally with identifications and explanations developed in case law and legal writing. Since different cultural policies and values form part of the multicultural stamp of the EU, time has rather supported than suppressed national differences. Not even countries with a common history

60 Dr, Dr *honoris causa* mult.

61 Schricker, IIC 26/1995 41–46.

62 Cf WIPO, *Guide to the Berne Convention* (1978) 17, where it is mentioned that 'original' appears in Article 2(3), but only to mark the difference between an original and a copy. However, under the Tunis Model Law on Copyright for developing countries (1976) works enjoy protection, according to the commentary if original in the sense that they possess creativity, Article 1: 'Authors of original literary, artistic and scientific works a …' and cf https://www.keionline.org/wp-content/uploads/tunis_OCR%20model_law_en-web.pdf (last accessed 2020-08-06) at 4. A similar formulation is found in many national laws, such as 17 U S § 102 (a): 'Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression […]'.

63 Gunnar Karnell in *Intellectual Property and Information, Essays in Honour of Herman Cohen Jehoram* (Kluwer Law International, 1998), 206 and see Thomas Dreier and Gunnar Karnell in ALAI Congress of the Aegean See II (1991), 154, 161.

64 Cf Per Jonas Nordell, 'The Notion of Originality – Redundant or not?' NIR 2001, 73, who 20 years ago at p. 86 concluded: 'In certain aspects the traditional concept of originality definitely seems to have lost its meaning in a modern copyright world. However, the notion of *originality* seems to be able to carry a burden of new kinds of features, some of them may be already contained within a modern definition of *work*. The concept of *originality* is therefore not redundant, but something to build upon for the future'. This proved to be true.

65 Whereby the double meaning of the word – on the one hand being new or novel, and on the other hand creative, individual – probably has been helpful.

of copyright law have seen the copyright/design interface in the same way.[66] That said, it is a long-recognized fact that without an 'EU copyright regulation', there will never be a common copyright law in the EU.[67] It is thus to regret that the Wittem Group's academic project could not come to a strong and united opinion.[68]

Meanwhile, the CJEU is doing its utmost to maintain and strengthen harmonization and to prescribe EU-wide interpretations under its auspices,[69] where there is a need for uniform application of EU law.[70] As is well known, the Court has been a driving force in the European integration process for over half a century.[71] Maybe the Wittem Project was deemed to fail at the time, because there was too little autonomous EU law to base it on, i.e., before *Infopaq* and *Painer*, which were further developed in *FAPL*[72] and *Football Dataco*,[73] the latter of which where the originality criterion of databases is specified and explained as not being satisfied 'when the setting up of the database is dictated by technical considerations, rules or constraints which leave no room for creative freedom'.[74]

Indeed, before *Infopaq*, there never was a general legal definition of the originality required for copyright under EU law.[75] The CJEU saw the need for strong and binding harmonization and made the notion of originality an autonomous concept of EU law. The concept, in turn, rests on the EU legislature's decisions in Articles 1(3) of Directive 91/250, 3(1) of Directive 96/9 and 6 of Directive 2006/116. The message from 1991 is clear: originality as 'the author's own intellectual creation shall be protected as such by copyright'. The additional sentence is as important: 'No other criteria shall be applied to determine their eligibility for that protection'. While professors Schricker and Strömholm understood the significance of this change, strangely enough, national copyright criteria continued to be applied as before. The cited copyright definition was disregarded, possibly because it seemed to relate only to computer programs, databases and photographic works, and was perceived as some sort of *lex specialis*.[76]

In recent years, developments in copyright law have added interesting new elements and thoughts. *Cofemel*, in the light of *Levola Hengelo* and *Brompton Bicycle*, presents the copyright

66 Jens Schovsbo and Morten Rosenmeier, 'The Copyright/Design Interface in Scandinavia' in Estelle Derclaye (ed) (2018), 108–127, at 115, 124.

67 Cf the Wittem Group founded around 2000, and see their discussion and proposal at https://www.ivir.nl/publicaties/download/710.pdf and https://pdfs.semanticscholar.org/ea0e/0ad4a9098787961b0aae861219711cb55268.pdf (last accessed 2020-08-07). The result was published on 26 April 2010.

68 Eleonora Rosati, 'The Wittem Group and the European Copyright Code' (2010) *Journal of Intellectual Property Law & Practice* 5(12), 862–868, doi:10.1093/jiplp/jpq140; doi:10.1093/jiplp/jpq140 (last accessed 2020-08-08).

69 Article 19 of the Consolidated version of the Treaty on European Union, OJ C 326, 26.10.2012, pp. 13–390; and Article 267 of the Consolidated version of the Treaty on the Functioning of the European Union OJ C 326, 26.10.2012, pp. 47–390.

70 See *Levola Hengelo*, paras 33 and 45, which refers to Infopaq paras 27 and 28 with references in turn to additional union wide interpretations.

71 See on 'direct effect' judgment on 5 February 1963 in *NV Algemene Transport- en Expeditie Onderneming van Gend & Loos / Netherlands Inland Revenue Administration*, Case 6-62, EU:C:1963:1, and on direct effect of EU law judgment of 14 May 1974, *J. Nold, Kohlen- und Baustoffgroßhandlung / Commission of the European Communities*, Case 4-73, EU:C:1974:51, paras 12 and 13 on, inter alia, the importance of the protection of human rights and fundamental freedoms in Europe.

72 Para 97.

73 Paras 41, 45.

74 *Football Dataco*, para 33.

75 Paras 35, 37.

76 At least this was the (mis)understanding by the Swedish Supreme Court in NJA/Law reports from the Supreme Court 2009, 159, which probably was not alone.

case clear and convincing: in the EU, copyright just requires the fulfilment of the originality requirement as formulated in *Infopaq*. Nothing more and nothing less is required. It is also important that the *Cofemel* decision clearly mandates a change of approach and confirms that the heart of copyright protection nowadays probably is beating harder for the once strange creatures (computer programs and databases, electronic music and mass-produced jeans) than for the traditional objects of protection, such as fine art and literature.[77]

All you need is a 'work'

The aim of the Berne Convention is to constitute a union for the protection of the rights of authors in their 'literary and artistic works'. Article 2(1) of the Convention states that 'The expression "literary and artistic works" shall include every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression [...]'. The purpose of Article 2 of the Convention is to define the expression 'literary and artistic works' which is done by a non-exhaustive enumeration. A protectable achievement under copyright law can never be the content but the form of a work, while at the same time the mode or means of expression of a work in no way affects its protection. It is also a generally agreed principle of the Berne Convention and elsewhere that neither the value or merit of a work, nor the purpose of a work are relevant.[78]

Nevertheless, the Portuguese Copyright Act contained special quality requirements for the protection of applied art/design works, and this was not exceptional. Apart from the Benelux and France, further requirements than originality have been commonplace in many EU states, in statutory or case law, and often hotly debated among legal scholars. For instance, in Sweden, parts of the legal doctrine as well as the Supreme Court[79] have clung to the traditional, before 2013,[80] German-type two-tier approach with a qualified originality/'Werkshöhe)', which is a poorly disguised cover for a subjective assessment in terms of the aesthetical elements that should be contained in a copyright work.[81] Otherwise, just 'work' for the protectable subject matter is a good global expression that corresponds to current EU law, where the concept can be seen to entail all the qualities required for copyright, primarily the EU originality standard. Support and development of this thinking is found in the reasoning of *Levola Hengelo*.[82]

In the *Cofemel* decision, the Court emphasized that the decision follows from its settled case law that 'work is an autonomous concept under EU law which shall be interpreted and applied uniformly'.[83] Two cumulative conditions must be satisfied for the classification as a 'work' within the meaning of the InfoSoc Directive.[84] *First*, the concept entails the requirement of an original subject matter, in the sense of being the author's own intellectual

77 It should not be forgotten that the InfoSoc Directive to a great extent had its roots in the need to adapt to the digitized world and a dominant part of the updating of the platform economy is now taking place through the implementation of Directive (EU) 2019/790.

78 WIPO Guide (1978) 13.

79 Interesting though, the new precedent-setting Patent and Market Court of Appeal has not used this expression as the level for copyright protection; it has rather employed the EU 'originality' to describe the required threshold.

80 Cf below under 'No *l'unité de l'art* but EU cumulation'.

81 See the alternative notion of 'work' and the international debate: Per Jonas Nordell NIR (2001), 73, and further '*Verkshöjdsbegreppet inom upphovsrätten – en kritisk analys*' (Qualified originality in copyright law – a critical analysis) The Institute for Intellectual Property and Marketing Law at Stockholm University (1990).

82 Paras 33–37 and 39.

83 Para 29.

84 Paras 32 and 33.

creation. *Second*, the classification as a work is reserved to elements that are clear, and an objective expression of such creations. Accordingly, for there to be a 'work' as referred to in the InfoSoc Directive, the subject matter protected by copyright must be expressed in a manner which makes it identifiable with sufficient precision and objectivity, even though that expression is not necessarily in permanent form.[85]

Don't stumble on the functionality stone

As understood by the expression *applied* art, similar to designs, except pure ornaments,[86] there is always a utility/function. Usefulness never was an obstacle for design protection,[87] except where features of appearance of a product are 'solely dictated by its technical function'.[88] For applied art protection in jurisdictions with a two-tier approach, the product in question was deemed to correspond or not to qualifying criteria in the copyright legislation or developed through case law and scholarly literature. After *Infopaq,* in deciding *Cofemel* the CJEU had to take a stand on whether the classification as 'works' in the meaning of copyright law was adequate for jeans and the other products in question. The answer was in the affirmative, as long as the EU originality standard would be satisfied. The related question in *Brompton Bicycle* was whether Articles 2 to 5 of the InfoSoc Directive 'must be interpreted as meaning that the copyright protection provided for therein applies to a product whose shape is, at least in part, necessary to obtain a technical result'.[89] And again, the answer by the CJEU was in the affirmative.

As a background illustration to this question, the referring court had invoked the Court's decision in *Doceram GmbH / CeramTec GmbH* ('Doceram').[90] In *Doceram*, the exception from design protection in Article 8(1) CDR, for the appearance of a product exclusively dictated by its technical function, had been interpreted by the CJEU. The exception is applicable where it can be established that the technical function is the only factor which determined those features; the existence of alternative designs is not decisive in that regard. Thus, in *Brompton Bicycle* the question was whether a similar solution should be adopted in the field of copyright when the appearance of the product for which protection is sought is necessary in order to achieve a particular technical effect (i.e., to fold the bicycle).

Not surprisingly, the CJEU found that copyright can only subsist in what is deemed to be a 'work', in the sense of the Berne Convention.[91] Under EU law, this means that the subject matter must be 'original in the sense that it is 'the author's own intellectual creation',[92] which in turn presupposes that it 'reflects the author's personality'. This is the case 'if the author was able to express his creative abilities in the production of the work by making free and creative choices'.[93]

85 *Levola Hengelo*, para 40.

86 For which, including logos, here is a special design class (32).

87 To also accept designs with practical purpose, i.e., designs whose design is wholly or partly conditioned by the commodity function, was less common in design legislations before 1998 and the European harmonization, let alone that in the application one does not look so strictly at the ornamental requirement: cf Swedish state public inquiry, SOU 1965:61, 67.

88 As interpreted by the CJEU in *Doceram*.

89 *Brompton Bicycle*, para 20.

90 *Brompton Bicycle*, para 17. See also judgment of 8 March 2018, *Doceram GmbH / CeramTec GmbH*, Case C 395/16, EU:C:2018:17 ('Doceram').

91 *Brompton Bicycle*, paras 22–23, 24, 28 and 38.

92 See Articles 1(3) of Directive 2009/24/EC 91/250, 3(1) of Directive 96/9 and 6 of Directive 2006/116 and confirmed in, e.g., *FAPL*, paras 97, 159 and *Infopaq*, paras 29, 39 and *Cofemel*, paras 29, 32.

93 *Painer*, para 89.

A 'work' had already been defined under the established EU standard.[94] This said, according to settled case law, where the realization of a certain subject matter has been dictated by technical considerations, rules or other constraints which have left no room for creative freedom, that subject matter cannot be regarded as possessing the originality required for it to constitute a work and, consequently, to be eligible for the protection conferred by copyright.[95] This means, in turn, that copyright protection can be available as long as there is room for the author to express their creative ability in an original manner by making free and creative choices in such a way that the shape reflects their personality, which is for the national court to verify.

It is indeed interesting to find a similar answer more than 55 years ago in the Swedish state public inquiry on design protection in response to the question of whether a design, which is more or less determined by technical or otherwise practical purposes, can also be considered as works of applied art:

> [I]t appears to be both doubtful and difficult to strike a balance between an object's ornamental and functional elements, respectively. It is instead the overall impression in aesthetic terms that should be decisive […] In practice, however, there are many reasons to expect that a purely functional design rarely or never corresponds to the demands that the work should be artistic and characterized by the individuality of the author.[96]

No categorization of works

The Berne Convention is an important basis for copyright protection and its limits, also in the EU. Even if the EU has not signed the Convention, it is bound by the WIPO Copyright Treaty (1996) which, in turn, mandates compliance with Articles 1–21 Berne. It is also a fact that under Article 17(2) of the Charter of Fundamental Rights of the European Union,[97] IP shall be protected. It has been pointed out in connection with Article 2(1) of the Berne Convention that the references to 'literary' and 'artistic' works must not be taken to intend a division into two mutually exclusive categories. These are two forms of concretization of ideas to protectable works: music, art, literature, etc., are just different forms of expression.[98]

This understanding and explanation, formulated around 50 years ago, seems to fit well in the EU doctrine of copyright. While many Member States in legislation and in case law have divided subject matters into different categories with different scope and criteria for protection, such an approach to copyright law seems to go against developments within CJEU case law. For instance, in *Painer*, the Court concluded that

> […] nothing in Directive 2001/29 or in any other directive applicable in this field supports the view that the extent of [copyright] protection should depend on possible differences in the degree of creative freedom in the production of various categories of works.[99]

94 As reiterated in *Levola Hengelo*, paras 33, 40 and 41.

95 Para 31.

96 SOU 1965:61, 208–209. Own translation. It should be noted that the use of the term 'aesthetic' in the context and at the time seems to have referred to 'artistic'/'sensory impact' rather that 'attractive/pleasing', which was how 'aesthetic' was understood in *Cofemel*, para 55.

97 OJ C 326, 26.10.2012, pp. 391–407.

98 WIPO, *Guide to the Berne Convention* (1978) 13.

99 *Painer*, para 97

Moving on to *Levola Hengelo*, which was decided by the Grand Chamber and thus has a special binding effect, there was a recognized need for a uniform application of the concept of a 'work' in EU copyright law.[100] The question in *Levola Hengelo* had been whether EU copyright law precludes the taste of food from being protected as a copyright work. The answer was yes: neither the InfoSoc Directive nor the national copyright law must be interpreted in such a way that it grants copyright protection to a taste.

Within the open borders of the Berne Convention, there cannot be any differentiation among categories of works. Literature, art, applied art, databases or computer programs, etc. should all be treated the same way from a protection perspective. This is confirmed by the fact that that *Levola Hengelo*, not only precludes subjective criteria for the assessment of copyright protection, but also exhaustive enumerations of protected subject matter under copyright.[101]

Is a spare part a work?

As emphasized by the Court in *Cofemel*,[102] and in line with the Berne Convention and Article 17 of the DDir, different 'objects' may fall under the scope of application of the InfoSoc Directive and/or the CDR, which pursue fundamentally different objectives.[103] Under neither can solutions that depend solely on technical results be protected.[104] However, if a design falls within the scope of application of the InfoSoc Directive, then the only requirement for copyright protection under this piece of legislation is that the design is a 'work' fulfilling the requirements discussed above. There is no room under EU law for a subjective assessment of protectable subject matter. The related question in *Brompton Bicycle,* whether Articles 2 to 5 of the InfoSoc Directive means that the copyright protection applies to a product whose shape is, at least in part, necessary to obtain a technical result',[105] was answered with yes, where there is a work.

Against this background, concerns have been raised over the risk that, once a utilitarian article has met the protection requirements under the EU standard, it may be difficult to restrict protection to non-functional and non-technical features at the infringement stage.[106] Notably, these concerns were formulated before the CJEU in *Cofemel*. The risk of a recurrence in the EU Member States of the old and odd UK doctrine of protection of 3D objects based on technical drawings[107] seems limited, and only time will show if the threats that are feared to arise from copyright to functional/utilitarian articles as a result of *Cofemel* also become a reality.[108]

100 Paras 33, 40 and 41 and cf paras 43, 44 and the Opinion by AG Szpunar on 2 May 2019, para 57. The same requirements on a 'work' under EU law were repeated in *Brompton Bicycle*, para 22.

101 Para 74 and the Opinion by AG Szpunar on 2 May 2019, para 60.

102 *Cofemel*, paras 50–52.

103 *Levola Hengelo*, para 40 and the Opinion by AG Szpunar on 2 May 2019, proposal 2.

104 *BSA*, paras 49 and 50 and *Football Dataco*, paras 33, 39–45.

105 In para 20.

106 Design Review (2016), 149; ECS point (17) and; Lionel Bently (2012) for a frustrating account of what happened in the UK in ambitious tries to solve spare parts, unfair copying and non-aesthetical features of designs similar circumstances.

107 See, e.g., *Hensher v Restawile* (1976)) AC 74 and earlier case law such as *Dorling v Honnor Marine* (1964)) RPC 160.

108 See, e.g., ECS points 8–13 at https://europeancopyrightsocietydotorg.files.wordpress.com/2018/11/ecs-opinion-cofemel_final_signed.pdfandhttps://www.maastrichtuniversity.nl/blog/2020/01/copyright-implications-cofemel (last accessed on 2020-08-05).

Copyright protection of spare parts has not been completely ruled out of the discussion,[109] although the idea is difficult to digest. But that was before the autonomous 'work requirement' had been further explained by the judgments in *Levola Hengelo* and *Cofemel*, as well as in *Brompton Bicycle*. The probability seems low, when the same strict conditions apply as in *Brompton Bicycle*.[110] In addition, copyright protection for spare parts has never been the legislator's intention, not even in the UK.[111] An exclusive design right for spare parts sticks in the eyes of many as being foreign to the objective of design protection;[112] spare part protection seems better suited for unfair competition law.[113] But the big economic interests in the after-market, as well as in spare part production should not be denied.[114]

As it can be concluded from the *Infopaq* decision, copyright can subsist either because the part as such is an original work, or it is such an essential part of the work that it represents it as a whole.[115] In *Brompton Bicycle* it is emphasized that the criterion of originality cannot be met by the components of a subject matter which are differentiated only by their technical function.[116] This so-called *functionality exclusion* test for originality relates to the idea/expression dichotomy and has been developed in case law, starting with *BSA*.[117] Furthermore, the room for the author to express their creative abilities in the production of the work by making

109 See the deliberations in the Legal Review (2016) 149 and cf note 372, and at 96 supported by a proposed additional paragraph to Article 20 of the DDir and Article 96(2) of the CDR should stop copyright to spare parts. Further, the suggestions by Annette Kur (2020), 290, 297 f. https://doi.org/10.1093/jiplp/jpaa035ee and Lionel Bently (2012) 654–672, who is genuinely negative to both cumulation and EU harmonization in this field, as well as to the in 2012 current repeal of section 52 of the Copyright, Patents and Designs Act 1988.

110 See further Uma Suthersanen and Marc D Mimler, 'An Autonomous EU Functionality Doctrine for Shape Exclusions', *GRUR International* 6 2020, 567, 573 f. As far as spare parts are protectable under design law, they seem to be excluded under copyright law: see *BSA*, paras 48–49 as well as *FAPL*, paras 97–98, compared with *Football Dataco*, paras 33, 39–45 and *SAS Institute*, paras 33 and 40.

111 In the UK, to prevent spare part copyright while reforming the Copyright, Designs and Patents Act (1988), an additional unregistered design act entered into force in 1989.

112 See proposals for liberalization of the spare part market and in the Legal Review (2016), 163. In Germany, finally, on September 10, the "Act for Strengthening Fair Competition" of 16 November 2020 was passed by the German Parliament. Under a new § 40a of the German Design Act the scope of design protection does not extend to visible spare parts in certain circumstances. The provision is not limited to any special sector. (BGBl. I S. 2568). The new Germain "repair clause" entered into force on 2 December 2020 (last accessed 2020-12-19). In France, a proposal of a repair clause was contained in loi d'orientation des mobilités, which has been postponed. It contained the spare part issues including a limitation in time to ten years after an annulment by the French constitutional court: see http://www.assemblee-nationale.fr/dyn/15/amendements/1831/CION-DVP/CD2794 (last accessed 2020-08-07) and cf http://www.assemblee-nationale.fr/dyn/15/textes/l15t0349_texte-adopte-provisoire.pdf (last accessed 2020-08-07). This makes the situation in France uncertain, and until a repair clause has been passed copyright to spare parts might still apply.

113 By a strict application the 'individual character' of the 'overall impression' of a spare part on the 'informed user', would be already consumed by the overall impression of the product as a whole, but this is not the legislator's intention, see Articles 1, 3, 4, 5 and 14 DDir. Cf the narrow interpretation of Article 110 CDR for a true repair purpose in judgment of 20 December 2017 *Acacia Srl v Pneusgarda Srl and Audi AG and Acacia Srl and Rolando D'Amato / Dr. Ing. h.c.F. Porsche AG*, Joined Cases C-397/16 and C-435/16, EU:C:2017:992. In copyright law either the part as such is original, or it is such an essential part of the work that it represents it as a whole.

114 See Dana Beldiman and Constantin Blanke-Roeser, *An International Perspective on Design Protection of Visible Spare Parts* (SpringerBriefs in Law 2017), who also bring up the options of 3D-printing of such parts, 155.

115 Cf para 33 in fine.

116 Para 27 and cf *SAS Institute*, paras 33 and 40.

117 See paras 48–50.

free and creative choices is required under, e.g., *Painer*,[118] which seems to be a dead end for spare parts.[119]

No *l'unité de l'art* but EU cumulation

As mentioned, in EU law cumulative protection between design and copyright has been regulated under Article 96(2) CDR and Article 17 DDir. Since the legislation entered into effect, this has resulted in a mandatory cumulation (first sentence), but only to the extent and on the condition that such a protection was conferred by each Member State, including the national level of originality (second sentence). However, already after *Infopaq* and *Flos SpA v Semeraro Casa e Famiglia SpA* ('Flos')[120] supported by AG Niilo Jääskinen's Opinion in *Donner*[121] a far reaching cumulation of the type *l'unité de l'art* was assumed.[122] After *Infopaq*,[123] where the Court established an EU-wide autonomous originality criterion, there was hardly room for any deviation.

The ruling in *Cofemel* was expected to clarify whether the legislation of a Member State after *Infopaq, FAPL* and *Painer* could make copyright protection of designs conditional upon fulfilling requirements other than originality, i.e., for works than other than literary and photographic (in addition to databases and computer programs). This was especially important for the Member States with a partial cumulation/two-tier approach to design/copyright, who might have felt that their respective copyright legislation was being invaded by the CJEU.[124] In 2018, this was in principle all EU Member States, except Benelux and France, with an explicit *l'unité de l'art* approach and Germany (after the *Birthday train* decision in 2013).[125] Sweden[126] has subsequently applied the pure EU originality criterion in precedential decisions, while the situation in Denmark seems more restrained.[127]

Subsequent to the *Cofemel* decision, it has been questioned, what room and what incentive there is for special design protection in the case of a total cumulation.[128] However, as my view is that *Cofemel* is not about total cumulation according to the principle of *l'unité de*

118 Paras 87–89.

119 E.g., *FAPL*, paras 97–98.

120 Judgment of 27 January 2011, *Flos SpA v Semeraro Casa e Famiglia SpA*, Case C-168/09, EU:C:2011:29 ('Flos').

121 Judgment of 21 June 2012 *Titus Alexander Jochen Donner*, Case C-5/11, EU:C:2012:370. In para 14 of his Opinion, of 29 March 2012, EU:C:2012:195, AG Jääskinen establishes the originality criterion as decisive for copyright protection, with *Infopaq*, para 37; and *Painer*, para 87 and *Football Dataco*, paras 39–41.

122 Legal Review (2016) 149, Annette Kur (2020), 290 note 12, and Eleonora Rosati (2019).

123 *Infopaq*, para 27.

124 See, e.g., Ansgar Ohly, 'The Case for Partial Cumulation in Germany' in Estelle Derclaye (ed) (2018) 128–170, 158 ff, who is critical to the German Supreme Court's adoption of the EU originality standard.

125 I ZR 143/12 Geburtstagszug, BGH 133.11.2013, *GRUR* 2014, 175.

126 Patent and Market Court of Appeal: 22 March 2019, Case PMT 5885-18 (*Daniel Wellington*); 15 January 2020 Case PMT 3491-16 (*Textilis v Svenskt Tenn* and vice versa) and 4 March 2020 Case B 10087-18 (Fenix Outdoor).

127 Supreme Court on 18 December 2018, case 171/2017 (Coop Danmark AS v K.H. Würtz ved Kasper Heie Würtz) on de minimis exception; cf however the Supreme Court 10 June 2020 (case BS-7741/2019-HJR Case BS-7741/2019 (*IJH A/S v Morsø SkoImport A/S*) concerning trendy rubber boots, available at http://domstol.fe1.tangora.com/media/-300016/files/7741-19-dom.pdf (last accessed 2020-08-03).

128 Cf European Copyright Society, 'Opinion on Reference to CJEU in Case C-683/17, Cofemel v G-Star', point 17, https://europeancopyrightsociety.org/portfolio/opinion-on-reference-to-cjeu-in-case-c-683-17-cofemel-v-g-star/ (last accessed 2020-08-03).

l'art,[129] there should not be not much impact on design law. *Cofemel* does not presuppose or prescribe that everything that is protectable under design law also enjoys copyright protection. Instead, 'concurrent protection can be envisaged only in certain situations'.[130] A future development without a fair room for special design protection would be both regrettable and surprising.[131] Also in France, recent experiences seem to support a clear distinction between copyright and design law.[132]

Under the EU cumulation, the need of design protection may be satisfied under both special design law and copyright law, though not in every case. Cumulation is only available as far as the design in question corresponds to the EU standard. This is a useful reminder of the different objectives and the different criteria for protection under the respective regimes of copyright and design law, as well as the different character of the rights and the needs they fulfil.[133] A registered or unregistered design – or what corresponds to such a design – must be tried by an informed user in view of the design's overall impression and individual character.[134] Copyright, precisely as it says, aims instead at protecting original works with a *copy* right[135] without being an obstacle to competition,[136] which often seems to be forgotten in the discussion of detrimental effect of IP rights.

In other words, the EU cumulation is neither that simple nor total. This conclusion does not mean that special design protection becomes less attractive than before, but more. We know for sure that, under Article 2(a) of the InfoSoc Directive, all original works enjoy protection irrespective of variety or type. With a cumulation between copyright law and design law, one type of protection does not per se exclude the other – as long as the criteria for both forms of protection are met. Then, designs that are works in the meaning of the Berne Convention and correspond to the EU copyright standard of originality, freedom to create and concretization could enjoy that as far as they need it.

However, and also indicated by the CJEU, all works in need of protection are not artistic, literary or scientific. In other words, they do not fall under the scope of the Berne Convention and they are not 'works' and thus protected under Article 2(a) of the InfoSoc Directive.[137] Design rights are easy and cheap to get for the whole EU, and the recent EU case law triggers a new design protection awareness: where there exists a registered design right, it should be used as the easy way out in an infringement situation. The assessment calls for an awareness of the different objects of protection and puts initially high requirements on the courts and litigating parties in the Member States.

129 Article L511-1 Code de la propriété intellectuelle: 'Tout créateur d'un dessin ou modèle et ses ayants cause ont le droit exclusif d'exploiter, vendre ou faire vendre ce dessin ou modèle dans les conditions prévues par le présent livre, sans préjudice des droits qu'ils tiendraient d'autres dispositions légales et notamment des livres Ier et III'.

130 *Cofemel*, para 52.

131 Cf *Cofemel*, paras 50–52.

132 See Anne-Emmanuelle Kahn (2018) 7, 34 f, who concludes that design law has developed and is no longer seen as only a complementary protection to copyright.

133 *Cofemel*, paras 50 and 51 and Opinion by AG Szpunar on 2 May 2019, paras 51 and 55.

134 Cf, e.g., judgment of 19 June 2014 *Karen Millen Fashions Ltd v Dunnes Stores and Dunnes Stores (Limerick) Ltd*, Case C-345/13, EU:C.2014:2013.

135 See, in particular, Article 2 of the WIPO Copyright Treaty that copyright protection does not extend to ideas.

136 *Cofemel*, paras 50 and 51.

137 *Levola Hengelo*, paras 33, and 35–37.

To conclude, in *Cofemel* the CJEU has not decided on a total cumulation, or a so-called *l'unité de l'art*; every design product cannot enjoy copyright protection or every part thereof. Copyright can only subsist where there is a 'work' that falls within the Berne Convention's artistic, literary or scientific sphere. This means that, according to the CJEU, EU cumulation is only available where the whole 'originality package' is present as interpreted in *Infopaq, Painer* and *Cofemel* after having tried the exceptions and limitations according to *FAPL*, *Football Dataco*, *Levola Hengelo* and *Brompton Bicycle*. Finally, we got EU cumulation with objectiveness and equality before the (copyright) law.

References

Beldiman D and Blanke-Roeser C, *An International Perspective on Design Protection of Visible Spare Parts* (SpringerBriefs in Law 2017).

Bently L, 'The Return of Industrial Copyright?' (2012) *EIPR* 654–672 (cited as Lionel Bently (2012)).

Bently L, 'The Design/Copyright Conflict in the United Kingdom: A History' in Derclaye E (ed), *The Copyright/Design Interface: Past, Present and Future* (Cambridge University Press 2018) 171–225 (cited as Lionel Bently (2018)).

Derclaye E (ed), *The Copyright/Design Interface: Past, Present, and Future* (Cambridge University Press 2018) doi:10.1017/9781108182676 (cited as Estelle Derclaye ed (2018)).

Derclaye E and Leistner M, *Intellectual Property Overlaps: A European Perspective* (Hart Publishing 2011).

Dreier T and Karnell G W, 'European Originality: A Copyright Chimera' in *ALAI Congress of the Aegean See II* (1991) (1992) *Journal of the Copyright Society* of USA 38(4), 289–302.

Englert B, *Grundzüge des Rechtsschutzes der industriellen Formgebung*: Ein Beitr. zur Reform d. dt. Geschmacksmusterrechts, Vol. 45 Schriftenreihe zum gewerblichen Rechtsschutz, (Heymanns 1978).

European Commission, *Legal Review on Industrial Design Protection in Europe* (2016) available at https://ec.europa.eu/docsroom/documents/18921/attachments/1/translations/en/renditions/native (last accessed 2020-08-06).

Gaubiac Y, 'La théorie de l'unité de l´art' (1982) 111 *RIDA* 3–71.

Kahn A-E, 'The Copyright/Design Interface in France' in Derclaye E (ed), *The Copyright/Design Interface: Past, Present, and Future* (Cambridge University Press 2018) 7–35 (cited as Anne-Emmanuelle Kahn (2018)).

Karnell G W, 'Intellectual Property and Information Law' in Kabel J and Mom G (eds), *Essays in Honour of Herman Cohen Jehoram* (Kluwer Law International 1998) 201–209.

Koktvedgaard M, Konkurrenceprægede immaterialretspositioner: bidrag til læren om de lovbestemte enerettigheder og deres forhold til den almene konkurrenceret (Juristforbundets Forlag København 1965).

Kur A, '*Unité de l'art* is Here to Stay—*Cofemel* and its Consequences' (2020) 15 *Journal of Intellectual Property Law & Practice* 290–300 doi:10.1093/jiplp/jpaa035 (last accessed 2020-08-08) (cited as Annette Kur (2020)).

Levin M, *Formskydd* (Liber 1984).

Levin M, 'Der Schutz für Formgebungen: Eine Rechtsvergleichende Studie über den Schutz des Industriedesigns in den Ländern Schweden, Norwegen, Dänemark, Finnland, Bundesrepublik Deutschland, Benelux, Italien, Frankreich England und USA' (1985) *GRUR International* 713–730.

Levin M, 'The Pendulum Keeps Swinging – Present Discussions On and Around the TRIPS Agreement' in Kur A with Levin M (eds), *Intellectual Property Rights in a Fair World Trade System: Proposals for Reform of TRIPS* (Edward Elgar 2011) 3–60.

Nordell P J, '*Verkshöjdsbegreppet inom upphovsrätten – en kritisk analys*' (The Institute for Intellectual Property and Marketing Law, Stockholm University 1990).

Nordell P J, 'The Notion of Originality – Redundant or Not? (2001) *NIR / Nordiskt Immateriellt Rättsskydd* 73–86.

Ohly A, 'Buy Me because I am Cool' in Kur A; Levin M and Schovsbo J (eds), *The EU Design Approach* (Edward Elgar 2018) 108–141 (Ansgar Ohly 2018).

Ohly A, 'The Case for Partial Cumulation in Germany' in Derclaye E (ed) *The Copyright/Design Interface: Past, Present, and Future* (Cambridge University Press 2018) 128–170 (cited as Ansgar Ohly (2018)).

Perot-Morel M A, *Les principes de protection de dessins et modèles dans les pays du Marché Commun* (Mouton 1968).

Quaedvlieg A, 'Copyright and Perfume: Nose, Intellect and Industry' (2011) *Revue internationale du droit d'auteur* at https://klos.nl/wp-content/uploads/2017/07/Quaedvlieg_Copyright_and_Perfume.pdf (last accessed 2020-08-06).

Quaedvlieg A, 'The Copyright/Design Interface in the Netherlands' in Derclaye E (ed) *The Copyright/Design Interface: Past, Present, and Future* (Cambridge University Press 2018) 36–79.

Richter M and Landolt R, 'Shift of Paradigm for Copyright Protection of the Design of Products' (2019) *GRUR International* 125–134.

Rosati, E, 'The Wittem Group and the European Copyright Code' (2010) *Journal of Intellectual Property Law & Practice* 5, 862–868, doi:10.1093/jiplp/jpq140 (last accessed 2020-08-08)

Rosati E, 'The Cofemel Decision Well Beyond the "Simple" Issue of Designs and Copyright' (Design Writes, 17 September 2019), https://designwrites.law/the-cofemel-decision-well-beyond-the-simple-issue-of-designs-and-copyright/ (last accessed 2020-08-06) (cited as Eleonora Rosati (2019))

Rosati E, 'Round-up of CJEU Copyright Decisions in 2019' (2020) 15 *Journal of Intellectual Property Law & Practice* 264–275, doi:10.1093/jiplp/jpaa020 (last accessed 2020-08-06) (cited as Eleonora Rosati (2020)).

Schovsbo J and Rosenmeier M, 'The Copyright/Design Interface in Scandinavia' in Derclaye E (ed), *The Copyright/Design Interface: Past, Present, and Future* (Cambridge University Press 2018) 108–127.

Schulze G, 'Schleichende Harmonisierung des urheberrechtlichen Werkbegriffs?' Schleichende Harmonisierung des urheberrechtlichen Werkbegriffs? Anmerkung zu EuGH„nfopaq/DDF" (2009) *GRUR* 1019–1022.

Schricker G, 'Farewell to the "Level of Creativity" (Schöpfungshöhe) in German Copyright Law?' (1995) 26 *IIC International Review of Intellectual Property and Competition Law* 41–46.

Sganga C, 'The Notion of "work" in EU Copyright Law after Levola Hengelo: One Answer Given, Three Question Marks Ahead' (2019) *EIPR* 415–424.

Strömholm S, 'Upphovsrätten i IT-åldern. Musikskapandets nya rättsliga klimat' (*Copyright Law in the IT Age*), in *Ton och rätt* (*Music and Law*) A Jubilee Tribute to STIM 75 (Iustus 1998) 211–227.

Suthersanen U and Mimler D, 'An Autonomous EU Functionality Doctrine for Shape Exclusions' (2020) *GRUR International* 567–577.

Thornton P and Shaw A, 'Brompton is Bad News for the UK?' (2020) *World IP Review*, https://www.worldipreview.com/article/brompton-is-it-bad-news-for-the-uk (last accessed 2020-08-06) https://orcid.org/0000-0002-9457-2506

WIPO, *Guide to the Berne Convention* (1978) at https://www.wipo.int/edocs/pubdocs/en/copyright/615/wipo_pub_615.pdf

WIPO Model Law at https://www.keionline.org/wp-content/uploads/tunis_OCR%20model_law_en-web.pdf (last accessed 2020-08-06).

6

THE NEW RELATED RIGHT FOR PRESS PUBLISHERS

What way forward?

Silvia Scalzini

Abstract

Following the entry into force of Directive 2019/790/EU, a new related right has been added to the EU catalogue (Article 15). Indeed, a new right has been introduced in favor of press publishers for the reproduction and making available to the public of press publications in respect of online uses by information society service providers. The main aim of the EU reform is to support the sustainability of the press by creating a level playing field between digital services and press publishers, where the latter may find a way to recoup a return on their investments. This objective is clearly reflected in the construction of the right, which is inherently unbalanced regarding opposing rights and interests, thus risking to (further) fragmenting the consistency of EU copyright and related rights system. After a necessary review of the interests at stake, the chapter discusses the main concerns raised by the introduction of the right at the EU level. Then it moves to the analysis of the effects of the first national implementation of Article 15 on the competitive dynamics between press publishers and digital platforms. The chapter concludes with a glimpse into some conceivable ways forward to avoid inconsistencies and unintended consequences, while at the same time (possibly) fostering the fairness and the well-functioning of copyright-focused markets.

Contents

Abstract 101
Introduction 102
A tale (not only) of copyright and related rights 103
From national press publishers' rights to the EU press publishers' right 105
The EU press publishers' right: more concerns than solutions 108
National implementations: press publishers' right *à la française* between IP and competition law 112
What way forward? 115
References 117
Decisions and case law 119

Introduction

Preceded by large criticism, a new related right for press publishers has found its way into EU law through the 2019 EU Directive on Copyright and Related Rights in the Digital Single Market (CDSMD),[1] making Article 15 therein one of the most tangled and debated provisions within the whole directive. The discussion around the introduction (and the harmonization) of such right at the EU level finds its roots in a widespread commercial crisis of traditional press publishers and news organizations in the digital environment, which – in turn – poses a concern for the freedom, the diversity and the quality of the press. Within this broad context, traditional press operators started complaining about the free riding of their press publications online by digital content aggregators and search engine services, whose activity is based on the reuse of such content (usually) for profit. This has pushed the press publishers to embark on a mission throughout Europe to bring this issue before courts, national and supranational legislators and competition authorities alike. Indeed, the legitimacy of the activity of search engines and news aggregators when indexing, linking and displaying news and articles has been questioned under copyright law, while the refusal to negotiate a remuneration for the reuse of publishers' content by some big players with market power in digital copyright-related markets has also been investigated under the lens of competition law. A synchronic consideration of these two perspectives is essential to understand fully all the *nuances* of the conflict.

Due to the problems encountered by press publishers in licensing and enforcing "rights in press publications regarding online uses"[2] and the consequent difficulty in recouping their investments, the CDSMD has provided a harmonized legal protection for press publications "through the introduction, in Union law, of rights related to copyright for the reproduction and making available to the public of press publications of publishers established in a Member State in respect of online uses by information society service providers".[3]

While the solution of such conflict has been framed within the reform of copyright and related rights in the digital single market, the nature of the problem concerns the regulation of a platform-to-business relationship. Indeed, the new right is intended to rebalance the bargaining power of press publishers *vis-à-vis* digital platforms and, through that, indirectly support the freedom and the quality of the press. However, one may wonder if the addition of a further layer of exclusive rights may truly facilitate licensing and lead to new revenues able to solve the problems of the online press value chain. The introduction of such right, indeed, does not come at no costs, as "licensing of new rights may interfere with the right to freedom of expression"[4] and freedom to conduct a business, creating systematic inconsistencies and impacting the competitive dynamics of copyright-related markets, with potential detrimental effects on the smallest players. Since the entry into force of the Directive, attention has shifted to the ways forward to circumscribe the concerns raised by the new right, while at the same time (possibly) enhancing the fairness and the well-functioning of copyright-focused markets.

1 Directive 2019/790/EU of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC [2019] OJ L130/92.

2 Directive 2019/790/EU (n.1), Recital 55.

3 Directive 2019/790/EU (n.1), Recital 55.

4 For a debate of the arguments for and against the introduction of the new related rights at EU level, see Thomas Höppner, Martin Kretschmer and Raquel Xalabarder 'CREATe Public Lectures on the Proposed EU Right for Press Publishers' (2017) 39(10) EIPR 607.

This chapter starts with a review of the interests at stake and of the national experiences that have preceded the introduction of the new related right at the EU level. The analysis then moves on to consider Article 15 before moving on to considering an early national implementation of the right and its effects on the competitive dynamics between press publishers and digital platforms. Building on these premises, the chapter concludes with a possible *pars construens* for a more balanced application and interpretation of the new laws.

A tale (not only) of copyright and related rights

Although simple news of the day and mere items of press information are excluded as a matter of principle from copyright and related rights protection,[5] the unauthorized use of news and publishing materials by third parties has often raised concerns.[6] While the use of subject matter protected by copyright (such as original press articles or original collections) may be controlled by relevant rightholders, some countries have provided for additional tools to prevent the unauthorized use of press content under the law of unfair competition.[7]

The advent of digitization has posed even more challenges, as newspapers seem to have less "control over the distribution and monetization of their content"[8] (being works protected by copyright or other subject matter) than before. While traditional business models have experienced declines in sales and advertising revenues, new players – whose business models rely on practices of crawling and scraping the websites of newspapers – have successfully entered the information distribution value chain. Although such intermediaries can take many forms, their core activity consists of (algorithmically) collecting and aggregating similar content together and displaying their users a collection of hyperlinked headlines to news stories with short extracts of text (snippets) often associated with photographs or videos from online versions of newspapers. As a consequence, press publishers complained about the systematic, unauthorized use of their original content without the possibility of fairly sharing the additional value generated by the use thereof.[9] As a response, news aggregators and similar services have considered their activities, not only lawful but also beneficial for facilitating wider access to information, as well as a complementary service and a potential source of additional internet traffic to newspapers' online versions. The described conflict is not limited to the interpretation of the scope of the economic rights granted by copyright law in relation to online uses of protected subject matter *vis-à-vis* the interpretation and application of exceptions and limitations: the competitive dynamics among publishers and digital platforms are far more complex than this.

5 See Berne Convention for the Protection of Literary and Artistic Works (as amended on September 28, 1979), Art. 2 (8). See also Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations (Rome, 26 October 1961).

6 For an international analysis see Sam Ricketson and Jane Ginsburg, 'Intellectual Property in News? Why Not?', in Sam Ricketson and Megan Richardson (eds.), *Research Handbook on Intellectual Property in Media and Entertainment* (Edward Elgar 2016).

7 The Italian Copyright Act, for instance, includes a (unfair competition) provision that prohibits the unauthorized reproduction of news and information carried out with acts contrary to "honest journalistic practices" and without a clear indication of the source. See Italian Law No 633 of April 22, 1941 for the Protection of Copyright and Neighbouring Rights, Art. 101.

8 See Damien Geradin, 'Complements and/or Substitutes? The Competitive Dynamics Between News Publishers and Digital Platforms and What It Means for Competition Policy' (2019) Antitrust &Public Policies, 4.

9 See, in particular, Hamburg Declaration regarding intellectual Property Rights (2009), http://www.fieg.it/upload/documenti_allegati/Hamburg_Declaration.pdf (last accessed 25 July 2020).

Indeed, such players may be seen as "vertically interdependent firms" as well as "horizontal competitors".[10] News and articles (or even small extracts thereof) produced by news organizations are valuable inputs enabling the platforms to attract internet users. Due to their nature as multi-sided markets, digital platforms are able to directly or indirectly monetize traffic flowing through their website thanks to the content therein. They may directly sell users' attention to advertisers or keep users' data in their ecosystems to fine-tune platform algorithms and eventually develop targeted advertising services. Digital platforms could also drive additional traffic to newspaper websites and enhance their attractiveness for advertisers and for new users.[11] At the same time, however, press publishers and digital platforms may "horizontally compete for user attention and advertising revenues".[12]

Due to the market power of (some) digital platforms in copyright-related markets (like Google or Facebook), recent studies have underlined the "bargaining power imbalance between major digital platforms and media businesses".[13] At least in some national markets, it is possible that the reliance of media businesses on news referral services and distribution channels offered by digital platforms makes the latter "unavoidable trading partners"[14] with whom media organizations may not to be able to fairly negotiate individual terms for the use of their content. As mentioned, this troubled relationship has raised conflicts before courts, national and supranational legislators and competition authorities alike for over a decade.

In 2010, the Italian Competition Authority (ICA, *Autorità Garante della Concorrenza e del Mercato*), concluded an investigation into possible abuse of dominant position, by accepting (and making binding) the commitments of Google (i) to give press publishers more control over the use of their content on the Google News service through the development of specific software (crawlers and robots.txt) and (ii) to ensure greater transparency in the terms and conditions of Google's advertising solicitation platform AdSense in order to determine the amount of the advertisement income due to Italian press publishers.[15] The ICA also submitted two Reports to the Italian Government and Parliament in which it suggested updating the Italian Copyright Act in order to promote "virtuous forms of cooperation"[16] between rightholders and new online intermediaries. The open-ended recommendations, however, did not suggest any specific way forward.[17]

10 Damien Geradin (n. 8), 7.

11 M. Calin, C. Dellarocas, E. Palme and J. Sutanto, 'Attention Allocation in Information-Rich Environments: The Case of News Aggregators' (16 February 2013), Boston U. School of Management Research Paper No. 2013–14, SSRN: http://ssrn.com/abstract=2225359 or http://dx.doi.org/10.2139/ssrn.2225359 (last accessed 25 July 2020).

12 Damien Geradin (n. 8), 7.

13 See Australian Competition and Consumer Commission, *Digital Platform Inquiry – Final Report*, 26 July 2019, https://www.accc.gov.au/focus-areas/inquiries-ongoing/digital-platforms-inquiry/final-report-executive-summary (last accessed 25 July 2020). See also Policy Paper Government response to the Cairncross Review: a sustainable future for journalism, 27 January 2020, https://www.gov.uk/government/publications/the-cairncross-review-a-sustainable-future-for-journalism/government-response-to-the-cairncross-review-a-sustainable-future-for-journalism (last accessed 25 July 2020).

14 Australian Competition and Consumer Commission, Digital Platform Inquiry (n. 13), Executive Summary, 8.

15 See, in particular, Autorità Garante della Concorrenza e del Mercato (AGCM), decision No 21959 of 22 December 2010, Case A420, *Federazione Italiana Editori Giornali/Google*, Bollettino No 51/2010, https://en.agcm.it/en/media/press-releases/2011/1/alias-1929 (last accessed 26 July 2020).

16 Autorità Garante della Concorrenza e del Mercato (AGCM), decision No AS787 (ex S1236) of 17 January 2011 and decision No AS1050 (ex S1806) of 24.5.2013.

17 Actually, the Italian Copyright Act already vests authors of original works with the initial, transferrable copyright and also protects independently under copyright law collective works such as journals and newspapers.

The interpretation and the application of copyright laws have been questioned simultaneously before many national courts, as well as before the Court of Justice of the European Union (CJEU), all this ultimately resulting in a fragmented patchwork of different approaches and interpretations.[18] The main problems from a copyright standpoint have related to: headlines and snippets of articles as copyright subject matter; qualification of linking activities and reproduction of and making available to the public small extracts of text as acts of exploitation of copyright protected materials; as well as the definition of the scope of applicable exceptions and limitations. In this scenario, while consensual solutions among stakeholders have been achieved in some countries,[19] some other Member States have sought to introduce new rights for press publishers in their copyright and related rights laws in order to facilitate press publishers obtaining a remuneration for the online use of their content.

From national press publishers' rights to the EU press publishers' right

In 2013, Germany introduced an ancillary right for "publishers of newspapers and magazines" (*Leistungsschutzrecht für Presseverleger*),[20] a one-year exclusive right to make a "press product" or parts thereof available to the public for commercial purposes (except for vaguely identified "individual words or very short text excerpts"). The "press product" is defined as "editorial and technical fixation of journalistic contributions in the context of a collection published periodically on any media under one title".[21] The making available of such content, in whole or in part, by third parties is permitted, "except for commercial operators of search engines or commercial news aggregators".[22]

This statutory intervention, accused of being badly drafted especially with regard to its negative effects on freedom of information,[23] did not even work out as a lever to force such operators to bargain fairer agreements. In particular, some press publishers have had to face the difficult choice of authorizing Google's use of their content for free or having reduced visibility on Google services.[24] Collecting rights management organization VG Media and other individual publishers have argued that Google abused its dominant position by discriminating against publishers who did not grant a free license, but the German Competition Authority (GCA, *Bundeskartellamt*) rejected the complaint.[25] According to the *Bundeskartellamt*, Google's behavior had an objective justification, namely that it needed to avoid copyright infringement given the uncertainty of the new law. In 2016, also the Regional Court of Berlin rejected a similar complaint brought by VG Media, stating that the ancillary right

18 For a comparative analysis, see Silvia Scalzini, 'Is there Free-riding? A Comparative Analysis of the Problem of Protecting Publishing Materials in Europe' (2015) 10(3) JIPLP 454.

19 See Eleonora Rosati, 'Neighbouring Rights for Publishers: Are National and (Possible) EU Initiatives Lawful?' (2016) 47/5 IIC 569.

20 Sections 87f to 87h of the German Copyright Act, *UrhG*, as amended by Law of 1 October 2013, [2013] Bundesgesetzblatt (Federal Official Journal) Vol. I, 3728.

21 Section 87f (2).

22 Section 87f (2).

23 See Ansgar Ohly, 'The Press Publisher's Right', presentation at the Conference 'Copyright in the Digital Single Market –Analysis and Implementation of the New Directive', Brussels, 31 January 2020. See also Martin Kretschmer, Séverine Dusollier, Christophe Geiger, P. Bernt Hugenholtz 'The European Commission's Public Consultation on the Role of Publishers in the Copyright Value Chain: A Response by the European Copyright Society' (2016) 38(10) EIPR 591.

24 See also the Higher Regional Court of Munich, decision of 14 July 2016, 29 U 953/16, GRUR-RR 2017, 89.

25 See German Competition Authority, *Bundeskartellamt*, 6th Decision Division B6–126/14 of 8 September 2015.

would have "disturbed" a "well balanced system" where "the search engine provides a combination of value and money flows as well as non-monetary benefits for all parties and this constitutes a win-win situation".[26] Finally the CJEU ruled that Germany's ancillary right should have been notified to the European Commission under Directive 98/34 as containing "technical rules" targeting "information society services".[27]

In 2014, following the German path, Spain also modified its Copyright Act by introducing a new press publishers' right justified by the same rationale but different in nature, it being part of the quotation exceptions. Indeed, Article 32(2) of the Spanish Copyright Law (TRLPI)[28] provides for a specific statutory limitation for "providers of digital services of content aggregation", subject to an unwaivable right for press publishers and other rightholders to receive an equitable compensation. This limitation allows the making available to the public of "non-significant fragments of content", that have been previously published in newspapers or periodically updated websites and "which have an informative purpose, of creation of public opinion or of entertainment". The provision excludes images and photography from the scope of the limitation. Article 32(2) TRLPI provides that the making available of pieces of information ("isolated words") by search engines shall not be subject to either authorization or compensation when the use is non-commercial, necessary to provide results to a specific user's search and with a link to the original source.

While the German model has left space for private negotiations, the Spanish model has imposed compulsory equitable compensation for the use of publishers' content by digital platforms. However, this law has had the effect of removing Spanish publishers from Google News and seeing Google News service' withdrawal from Spain.[29] As a consequence, some studies have underlined the decline of traffic on news websites to the detriment (especially) of smaller and lesser-known press publications.[30]

26 Regional Court of Berlin, decision of 19 February 2016, Case 92 O 5/14 Kart, *VG Media v. Google*, GRUR-RR 2016, 426

27 CJEU, judgment in C-299/17 *VG Media Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Medienunternehmen mbH v Google LLC*, [2019], EU:C:2019:716. The request for a preliminary ruling under Article 267 of the Consolidated version of the Treaty on the Functioning of the European Union, OJ C 326, 26.10.2012, p. 47–390 was made by the Regional Court of Berlin in the context a dispute between VG Media and Google on the application of the German ancillary right. See Jan Bernd Nordemann, Stefanie Jehle, VG Media/Google: German press publishers' right declared unenforceable by the CJEU for formal reasons – but it will soon be re-born, KLUWER COPYRIGHT BLOG (Nov. 11, 2019), http://copyrightblog.kluweriplaw.com/2019/11/11/vg-media-google-german-press-publishers-right-declared-unenforceable-by-the-cjeu-for-formal-reasons-but-it-will-soon-be-re-born/?doing_wp_cron=1595776797.5947039127349853515625 (last accessed 25 July 2020).

28 *Texto Refundido de la Ley de Propiedad Intelectual* [TRLPI], approved by Royal Legislative Decree 1/1996 of April 12, Art.32.2. For a detailed analysis of the law see, in particular, Raquel Xalabarder, 'The Remunerated Statutory Limitation for News Aggregation and Search Engines Proposed by the Spanish Government; Its Compliance with International and EU Law' (2014), IN3, Working Paper Series WP14-004

29 For a comment on the potential adverse effect of the law from a competition law perspective, see the opinion of the *Spanish Comisión Nacional de los Mercados y la Competencia PRO/CNMC/0002/14*, 16 May 2014, http://cnmcblog.es/wp-content/uploads/2014/05/140516-PRO_CNMC_0002_14-art-322PL.pdf (last accessed 25 July 2020).

30 See Study by Nera Consulting, commissioned by Spanish Association of Publishers of Periodicals (AEEPP), "Impact of the New Article 32.2 of the Spanish Intellectual Property Act" (9 July 2015), https://www.nera.com/publications/archive/2015/impact-of-the-new-article-322-of-the-spanish-intellectual-proper.html (last accessed 25 July 2020).

Notwithstanding the "regulatory design flaws and unintended consequences"[31] of these national attempts, the European Commission proposed the introduction of a related right for press publishers at the EU level. According to the Impact Assessment of the Commission,[32] the pan-European scope of such right would make it more effective and capable of bringing greater legal certainty. The proposal was heavily criticized by academics, because of its lack of persuasive justification(s) and worthlessness, as well as for the potential adverse systematic effects on freedom of information.[33] Other critics have also addressed the potentially distortive effect of such a measure on reinforcing the power of "media conglomerates and global platforms to the detriment of small players".[34] However, after an intense debate,[35] the related right for press publishers became law through Article 15 CDSMD.

The intended goal of this harmonized legal protection for press publications is twofold. First, conferring on press publishers their "own related right" to "relieve them of the burden of having to prove ownership of copyright in each journalistic output",[36] given the

31 Martin Kretschmer, Séverine Dusollier, Christophe Geiger and P. Bernt Hugenholtz 'The European Commission's Public Consultation on the Role of Publishers in the Copyright Value Chain: A Response by the European Copyright Society' (n. 23).

32 European Commission SWD (2016) 301 final, Vol. 1, 159–160.

33 See, *ex multis*, Lionel Bently and Others, 'Response to Article 11 of the Proposal for a Directive on Copyright in the Digital Single Market, entitled "Protection of Press Publications concerning Digital Uses" on behalf of 37 Professors and Leading Scholars of Intellectual Property', Information Law and Digital Economy, 1 (Dec. 5, 2016), https://www.cipil.law.cam.ac.uk/sites/www.law.cam.ac.uk/files/images/www.cipil.law.cam.ac.uk/documents/ipomodernisingipprofresponsepresspublishers.pdf (last accessed 25 July 2020); Statement by EPIP Academics to Members of the European Parliament in advance of the Plenary Vote on the Copyright Directive on 12 September 2018: Vote for a balanced European copyright law, https://www.create.ac.uk/wp-content/uploads/2018/09/Statement-by-EPIP-Academics.pdf (last accessed _25 July 2020); European Copyright Society, 'Answer to the EC Consultation on the Role of Publishers in the Copyright Value Chain', 15 June 2016, https://europeancopyrightsocietydotorg.files.wordpress.com/2016/06/ecs-answer-to-ec-consultation-publishers-role-june16.pdf (last accessed 25 July 2020); Christophe Geiger, Oleksandr Bulayenko and Giancarlo F. Frosio, 'The Introduction of a Neighbouring Right for Press Publisher at EU Level: the Unneeded (and Unwanted) Reform' (2017) 39(4) EIPR 202; Reto M. Hilty, Valentina Moscon (eds), 'Modernisation of the EU Copyright Rules. Position Statement of the Max Planck Institute for Innovation and Competition' (2017) Max Planck Institute for Innovation and Competition Research Paper No. 17-12, http://pubman.mpdl.mpg.de/pubman/item/escidoc:2470998:11/component/escidoc:2479390/E-Book%20-%20Hilty%20-%20Moscon%20-%2018.09.2017.pdf (last accessed 25 July 2020); see also P. Bernt Hugenholtz, 'Say Nay to the Neighbouring Right', KLUWER COPYRIGHT BLOG (Apr. 14, 2016), http://kluwercopyrightblog.com/2016/04/14/say-nay-to-the-neighbouring-right/ (last accessed 25 July 2020); Copyright Reform: Open Letter to Members of the European Parliament and the Council of the European Union from European Research Centres (Feb. 24, 2017), http://www.create.ac.uk/wpcontent/uploads/2017/02/OpenLetter_EU_Copyright_Reform_24_02_2017.pdf (last accessed 25 July2020); Alexander Peukert, 'An EU Related Right for Press Publishers Concerning Digital Uses. A Legal Analysis', Research Paper of the Faculty of Law, Goethe University Frankfurt am Main No 22/2016; A Ramalho, 'Beyond the Cover Story – An Enquiry into the EU Competence to Introduce a Right for Publishers' (2017) 48 IIC 71; M van Eechoud, 'A Publisher's Intellectual Property Right: Implications for Freedom of Expression, Authors and Open Content Policies' (2017) OpenForum Europe, 32 http://www.openforumeurope.org/wp-content/uploads/2017/01/OFE-Academic-Paper-Implications-of-publishers-right_FINAL.pdf (last accessed 25 July 2020).

34 IViR, 'Academics against Press Publishers' Right' (24 April 2018), https://www.ivir.nl/academics-against-presspublishers-right/ (last accessed 25 July 2020).

35 For an analysis of the debate, see Stavroula Karapapa, 'The Press Publication Right in the European Union: An Overreaching Proposal and the Future of News Online', in Enrico Bonadio and Nicola Lucchi (eds.), *Non-Conventional Copyright: Do New and Non-Traditional Works Deserve Protection?* (Edward Elgar, 2018).

36 Lionel Bently, Martin Kretschmer, Tobias Dudenbostel, Maria del Carmen Clatrava Moreno and Alfred Radauer, 'Strengthening the Position of Press Publishers and Authors and Performers in the Copyright Directive' (10 September 2017) European Parliament, Study for the JURI committee, Brussels, 15http://www.europarl.europa.eu/RegData/etudes/STUD/2017/596810/IPOL_STU(2017)596810_EN.pdf (last accessed 25 July 2020.

unharmonized legal frameworks of EU Member States. In a nutshell: granting press publishers related rights over the whole press publication "as such" as a tool to facilitate control and monetization of press content in the digital environment. Second, rebalancing the bargaining powers of the players and remedying the (alleged) unfair distribution of the value generated by content producers, often (mis-)appropriated by digital platforms. Indeed, according to Recitals 54 and 55 of the Directive, the new right should enable press publishers to recoup their "organisational and financial investments" in producing press publications, because such efforts are essential to "ensure the sustainability of the publishing industry and thereby foster the availability of reliable information".

The EU press publishers' right: more concerns than solutions

Driven by a fairness rationale, the new press publishers' right has been designed as two-year related right,[37] exclusive in nature (and similar to the German model)[38], which covers the online reproduction and making available of press publications by online service providers.

Alongside the highly criticized justification(s), the final wording of Article 15 CSDMD makes it one of the most tangled and debated provisions of the new legislative act. The beneficiaries, "publishers of press publications" established in an EU Member State, are defined as "service providers, such as news publishers or news agencies service providers, when they publish press publications".[39] The definition of the subject matter covered by the right is more blurred. Indeed the concept of "press-publications" is defined in Article 2(4) as "a collection composed mainly of literary works of a journalistic nature, but which can also include other works or other subject matter",[40] that (a) constitutes an "individual item" within a periodical under a single title, (b) has an informative purpose and (c) is published in any media "under the initiative, editorial responsibility and control of a service provider" (i.e., within an economic editorial activity labelled as provision of a service under the Union law[41]).

Despite Recital 56 mentioning certain categories of publications that should be not covered by the right,[42] the lack of a clear threshold test to justify the protection renders the extent of the subject matter encompassed by the provision vague, with a risk of overprotection of press publications with little or no underlying investment to recoup. As Hugenholtz argues, "apparently, the EU legislator assumed that any periodical that meets the definition of press publication is *ipso facto* the result of sufficient economic investment to merit protection".[43] Unlike other related rights of the EU catalogue, the press publishers' right does not require any minimum standard of investment.

37 Under Art. 15(3), the right lasts for two years after publication, counted as from 1 January of the year following publication.

38 For a similar interpretation, see Marco Ricolfi, 'La tutela delle pubblicazioni giornalistiche in caso di uso online' (2019) AIDA, 42.

39 Directive 2019/790/EU (n.1), Recital 55.

40 See Directive 2019/790/EU (n.1), Recital 56. These 'ancillary' subject matters may be photographs and videos. The focus on literary works of a journalistic nature limits the object of the right at the press publications, without extending it at the audio-visual media.

41 Directive 2019/790/EU (n.1), Recital 56.

42 Directive 2019/790/EU (n.1), Recital 56 states that publications for scientific and academic purposes, as well as blogs not encompassing 'an editorial responsibility and control of a service provider', should not be covered by the protection.

43 P. Bernt Hugenholtz, 'Neighbouring Rights are Obsolete' (2019) 50(8) IIC, 1006.

The only threshold set forth by the Directive is the exclusion from the scope of the right of "individual words or very short extracts of a press publication" (Article 15(1)). Indeed Recital 58 clarifies that such use by information society service providers "may not undermine the investments made by publishers of press publications in the production of content", if the notion of very short extracts of a press publication is interpreted sufficiently strictly so as "not to affect the effectiveness of the rights". However, the indication to interpret this notion strictly paves the way to a perilous enlargement of the scope of the right so as to encompass simple facts, news or mere items of press information that should be excluded as such from intellectual property (IP) protection. Moreover, such indication could interfere with the application of exceptions and limitations, and, in particular, with the quotation exception (on quotation, see the discussion in Chapter 12).

In addition, the very definition of "very short extracts of a press publication" is not provided by the Directive and will be left to the national implementations or – more likely – to the interpretations of national courts. This task could involve a delicate exercise of balancing opposing rights and interests in delimiting the scope of the right. Too a strict interpretation of the notion could lead to an exercise of such rights that may disproportionally affect not only the fundamental right of online service providers to conduct their business but also "everyone's fundamental right to freedom of expression and information"[44] (Article 11(1) CFREU[45]). As a result, proportionality test should likely be applied, in order to avoid abuses of the right by press publishers. Some scholars, for instance, suggest that "everything necessary to identify the target of a hyperlink"[46] should be excluded from the scope of the right. Other scholars, instead, argue that such evaluation should be based "on the substantial recognition of a group of words as autonomous, independently circulating, 'information unit'"[47]. Likewise, "very short extracts of a press publication" that merely communicate a news of the day or a raw fact should be also left uncovered. Importantly, technological enforcement of press publishers' right should properly comply with these limits. In all this, there is the risk of legal fragmentation, as some Member States might opt for a (very difficult) quantitative definition of "very short extracts of a press publication", while others might prefer a qualitative definition (although that might prove to be a slippery slope). Given the relevance of the issue, presumably, it will not be long before a question for preliminary ruling is referred to the CJEU.

As for the content of the exclusive rights introduced by the new provision, the rights are designed with reference to Articles 2 and 3(2) InfoSoc Directive[48] and subject to the exceptions in Article 5 thereof (including the exception in the case of quotation for purposes such as criticism or review provided for in Article 5(3)(d) of that Directive).[49] However, such rights are aimed at preventing the online use of such publications, insofar as "information society service providers" are concerned, thus making Article 15 CDSMD a specific *business-to-business* (or, rather, a *business-to-platform*) provision. Indeed, as mentioned, the right does not cover the online reproduction

44 For an analysis on the impact of such measures on fundamental rights, see Alexander Peukert, 'An EU Related Right for Press Publishers Concerning Digital Uses. A Legal Analysis' (n. 34), 12.

45 Charter of Fundamental Rights of the European Union, Article 11.

46 See Ansgar Ohly, 'The Press Publisher's Right' (n. 23).

47 Gustavo Ghidini and Francesco Banterle, 'Copyright, news, and "information products" under the new DSM Copyright Directive' forthcoming in *Studi per Di Cataldo*, pre-print available at https://www.researchgate.net/publication/342707640 §6 (last accessed 23 December 2020)

48 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society [2001], OJ L 167, 22/06/2001.

49 See Directive 2019/790/EU (n.1), Recital 57. Also the rules provided by for Directive 2012/28/EU and Directive (EU) 2017/1564 shall apply mutatis mutandis in respect of the new related rights. See Directive 2019/790/EU (n.1), Art. 15 (4).

or making available of press publications carried out by other categories of users. Private or non-commercial uses of press publications by individual users, including where such users share press publications online, remain subject to the copyright *acquis*. Likewise, the Directive explicitly excludes "acts of hyperlinking" (as such) from the scope of the rights, although this exclusion casts doubt on whether such provision should be interpreted consistently with the CJEU's extensive case-law on hyperlinking as (potential) acts falling within communication to the public[50] (on the right of communication to the public, see the discussion in Chapter 9). Beyond those exclusions, one may wonder which uses remain covered by the new right. It covers acts of reproduction and making available of snippets of text, photographs and videos – not limited to "individual words or very short extracts" – that are not exempted by an applicable exception or limitation, as well as "digital, but non-linking related uses such as scanning, indexing, text and data mining"[51] (though this last may be exempted by the text and data mining exceptions provided for by Articles 3 and 4 CDSMD, on which see also the discussion in Chapter 15). In particular, the application of the quotation exception or limitation regarding the uses of press publications by online service providers will be crucial for a balanced interpretation of the new related right. Indeed, under Article 10(1) of the Berne Convention, the quotation exception legitimizes the quotation of protected subject matters already been lawfully made available to the public, to the extent that the use is in accordance with fair practice and justified by a specific purpose, "including quotations from newspaper articles and periodicals in the form of press summaries". Art. 5(3)(d) of InfoSoc. Directive has incorporated the text of the Berne Convention, even if it failed to state the mandatory nature of the exception and limitation for Member States. Although there is no room to investigate further the legal issues around the quotation right in EU,[52] suffice it to mention that the compatibility of the uses of a press publication with "fair practice", as well the identification of the purpose to justify the use, could probably be the crux for interpreting the new related rights in a more balanced and consistent way.

Moreover, the CDSMD does not prevent press publishers from waiving their rights or authorizing free uses of their content.[53] If national laws do not add further elements within the implementation process, freedom of contract is left intact. This means that, from the one side, publishers are enabled to fine-tune individual negotiations with online service providers and freely determine the amount of eventual remuneration due for online uses, as well as to decide whether to grant free licenses. Also, collective licensing may be a viable alternative, as it may enhance publishers' bargaining power. All this said, however, there may be some underestimated consequences: this freedom might also enable publishers to grant exclusive licenses to certain (big) digital platforms only or fine-tune the visibility of their content on the basis of the economic capacity of the online service provider, to the detriment of small players that may have less economic resources with which to pay publishers (or a more limited user base). For this reason, some scholars suggest that a scheme of "open access on fair

50 See CJEU's judgments in *Nils Svensson and Others v. Retriever Sverige AB*, Case C-466/12, [2014] ECLI:EU:C:2014:76; *BestWater International GmbH v. Michael Mebes, Stefan Potsch*, Case C-348/13, [2014] EU:C:2014:2315 (order of the Court); *GS Media BV v. Sanoma Media Netherlands BV, Playboy Enterprises International Inc., Britt Geertruida Dekker*, Case C-160/15, [2016] EU:C:2016:644; *Stichting Brein v Jack Frederik Wullems*, Case C-527/15, EU:C:2017:300.

51 See Raquel Xalabarder 'CREATe Public Lectures on the Proposed EU Right for Press Publishers' (n. 4), 617.

52 For two different views on the matter see Eleonora Rosati, 'Neighbouring Rights for Publishers: Are National and (Possible) EU Initiatives Lawful?' (n. 19) and Raquel Xalabarder 'CREATe Public Lectures on the Proposed EU Right for Press Publishers' (n. 4), 619.

53 Directive 2019/790/EU (n.1), Recital 82.

(FRAND) terms for commercial uses" similar to that provided for by art. 15 of Directive 2010/13/EU could be the best solution to accommodate contrasting interests.[54]

Besides these interpretative doubts and grey areas relating to the structure and scope of the right, one of the main systematic inconsistencies that scholars criticized before the adoption of the Directive was the double layering of rights.[55] Indeed, the new related right overlaps with other forms of protection of works and other subject matter incorporated in a press publication. While related rights cover the non-original collection of journalistic works (the "press publication"), the original collection of journalistic works and the "journalistic works themselves (e.g., journalistic articles, photographs, videos, etc.)"[56] may be protected by copyright on their own.[57] Moreover, authors usually transfer or license their economic rights over articles and other works to publishers. The additional layer of exclusivity created by the new related right, as a result, not only carries risks of overprotection and confuses users as to allowed uses but also conflicts with the exercise of other exclusive rights connected with the same subject matter, causing uncertainty in rights negotiations and clearances.

Article 15(2) deals with the problem of overlapping rights. The Directive, in its attempt to avoid such conflicts, states that related right for press publishers shall in no way affect "any rights provided for in Union law to authors and other rightholders", nor their independent exploitation. Moreover, the right shall not be invoked to add another layer of exclusivity over uses that have been already authorized, e.g., with regard to uses of works or other subject matters incorporated in a press publication which have been already authorized by means a non-exclusive license, nor to extend the protection over works or other subject matters for which protection has expired. This said, despite these clarifications, online service providers remain burdened by rights clearance efforts[58] as well as by the need to (eventually) obtain double licenses (copyright and related right) from different rightholders. The resulting transaction costs could be only partially mitigated by the recourse to collective licensing.

On a final note, the Directive provides for a sharing of revenues and compensation among authors and publishers. In order to ensure consistency with other provisions of the Directive[59] and to avoid that the press publishers' right weakens the authors' position, Article 15(5) requires that "an appropriate share" of the revenues that press publishers receive for the use of their press publications shall be transferred to authors of works incorporated therein. Here, questions may arise about the interpretation of the "appropriate remuneration" in the specific press-publishing contractual contexts. Such questions will probably be answered after the national implementations. One may wonder who would be best suited to determine such

54 See Gustavo Ghidini and Francesco Banterle, 'Copyright, news, and "information products" under the new DSM Copyright Directive' (n 48).

55 Martin Kretschmer, Séverine Dusollier, Christophe Geiger, P. Bernt Hugenholtz 'The European Commission's Public Consultation on the Role of Publishers in the Copyright Value Chain: A Response by the European Copyright Society' (n. 23).

56 See Timothy Vollmer, Teresa Nobre and Dimitar Dimitrov, 'Article 15: Protection of Press Publication Concerning Online Uses' on the useful page on the CommuniaDSM Directive Implementation Portal, https://www.notion.so/Article-15-Protection-of-press-publications-concerning-online-uses-b52804451f3e4f56b8aa66013b28aa95

57 On the risk of overprotection in the Italian system see Valeria Falce, Maria Letizia Bixio, 'Verso un nuovo diritto connesso a favore degli editori on line. Brevinote su recenti derive (iper)-protezionistiche' (2016) http://www.dimt.it/wp-content/uploads/2016/09/Paper-Ancillary-copyright-Draft.pdf

58 This may be particularly heavy in a framework where copyright contracts between authors and publishers are not harmonized. See Taina Pihlajarinne and Juha Vesala, 'Proposed Right of Press Publishers: A Workable Solution?' (2017) 13(3) JIPLP 220-228, §4, 3.

59 See Directive 2019/790/EU (n.1), Art. 18.

"appropriate" share and what the links of this provision are to Article 18 CDSMD, which enables authors to receive appropriate and proportionate remuneration for the contractual exploitation of their works, in the event that journalists transfer or license their copyright over their articles in favor of a press publisher. Finally, the chapter of CDSMD on "Rights in publications" concludes with Article 16, which introduces claims for fair compensation for publishers and it is basically a "legislative response to the *Reprobel judgment*, which had denied publishers a right of fair compensation under the reprography and private copying exceptions".[60] Where an author has transferred or licensed a right to a publisher, Member States may entitle press publishers to "a share of the compensation for the use of the work made under an exception or limitation to the transferred or licensed right".[61] The right to claim fair compensation is aimed at publishers, in general, "including those of press publications, books or scientific publications and music publications".[62]

To sum up, the introduction of the new EU-related right for press publishers raises concerns both from the perspective of its underlying justification and objectives and from the perspective of its design and systematic effects. The additional layer created on top of other forms of protection that insist on the same objects may complicate rights clearance efforts. Moreover, the unbalanced nature of the rights and the grey areas they create will likely cause inconsistencies and keep courts busy for many years.

If the main objective of the new right is to achieve a well-functioning marketplace for press content and to facilitate the negotiation of fair remuneration mechanisms with digital platforms, then, at a systematic level, such a measure raises the fundamental question of what functions copyright (and related rights) policy should pursue.[63] The example of the press publishers' right shows that an exclusive right may be used not only to reward (or create incentives for) creativity and investment as such[64] but also as a tool to rebalance the bargaining power of stakeholders threatened by technological innovation and to re-allocate value among stakeholders (similar to other 'value gap' provisions in the CDSMD). In addition to all this, putting such excessive focus on the relationship with big digital platforms risks underestimating the detrimental impact that such a measure might have on smaller online service providers against which the bargaining rebalance problem may simply not subsist. In addition, also smaller press publishers may not benefit of these new rights to a large extent.

National implementations: press publishers' right *à la française* between IP and competition law

At the time of writing, only France has (quickly) implemented the new press publishers' right into its own law,[65] and that was (quite immediately) followed by a decision of the French

60 João Quintais, 'The New Copyright in the Digital Single Market Directive: A Critical Look', 2020 42(1) EIPR 28.

61 For a critical view over the introduction of such article, see Martin Kretschmer, Séverine Dusollier, Christophe Geiger, P. Bernt Hugenholtz 'The European Commission's Public Consultation on the Role of Publishers in the Copyright Value Chain: A Response by the European Copyright Society' (n. 23).

62 Directive 2019/790/EU (n.1), Recital 60.

63 For a comparative overview on the diverging rationales of IP rights in the EU and the US experiences after the issue of the CDSMD, see Pamela Samuelson, 'Regulating Technology through Copyright Law: A Comparative Perspective' (2020) 42(4) EIPR 214.

64 A similar question has been raised also by Eleonora Rosati, 'Neighbouring Rights for Publishers: Are National and (Possible) EU Initiatives Lawful?' (n. 19).

65 See French Law n. 2019–775 of 24 July 2019 "*tendant à créer un droit voisin au profit des agences de presse et des éditeurs de presse*". The French choice is to implement other parts of the CDSMD in separate legislative projects.

Competition Authority (FCA, *Autorité de la concurrence*) to force Google to negotiate with press publishers and new agencies to agree remuneration for reuse of their content.

It is necessary to dwell on the French transposition of the Directive, before analyzing its effects. In particular, new related rights for press publishers, "Droits des éditeurs de presse et des agences de presse", have been introduced within the Book of the *Code de la propriété intellectuelle* devoted to related rights. Among the rules set forth by this new law, the French legislator has provided two peculiar specifications.

First, the new Article L211-3-1 specifies that, in order not to undermine the effectiveness of the new press publishers' related right, the use of "very short extracts of a press publication" is not excluded from the scope of the right if it creates a sort of substitutive effect for the press publication.[66] If this criterion may appear reasonable to avoid the accumulation of quotations by online service providers[67] so as to decrease the readers' interest in consulting the source, it may not be used as a general guidance to define the scope of the rights, as it may extend the rightholders' control to encompassing the mere informative content of a very short extract.

Second, Article L218-4 is devoted to the determination of the remuneration for the exploitation of a press publication. Such remuneration shall be based on the direct or indirect income (regardless of its nature) stemming from the exploitation of a press publication. Moreover, the remuneration shall be determined on the basis of three criteria. The first two criteria refer to the publisher's position, namely (i) the press publisher's investments and (ii) the contribution of the press publication to the political and general information. While the first criterion may be useful for creating a sort of threshold justified by the concrete investments of press publishers, the second is quite unrelated to IP logics. The third criterion, instead, refers to the importance of the utilization of the press publication by online service providers. To this end, Article L218-4 imposes on online service providers certain information and transparency duties in the negotiation with press publishers. In particular, they shall provide details of all elements related to the utilization of press publications by their users, as well as all other elements useful for a transparent assessment of the remuneration level. Since the monetization of traffic flowing through online services providers' websites may consist of keeping individual users' data in their ecosystems, one may wonder what kind of information is due in order to negotiate "fairer" deals. Finally, despite these guidelines for more transparent negotiations, the French legislation does not appear to prevent press publishers from granting free licenses to online service providers.

The entry into force of this law brought about an immediate and interesting effect from a systematic point of view. In order to comply with the new French right, Google unilaterally decided "that it would no longer display article extracts, photographs, infographics and videos within its various services (Google Search, Google News and Discover), unless the publishers grant them the authorisation to use them".[68] Google provided some technological

See Communia Implementation Tracker (n. 57), https://www.notion.so/France-de309aa9cdb040e4a72d-58cb9749ff18 (last accessed 25 July 2020).

66 'Cette efficacité est notamment affectée lorsque l'utilisation de très courts extraits se substitue à la publication de presse elle-même ou dispense le lecteur de s'y référer'.

67 Philippe Mouron, 'Le nouveau droit voisin des éditeurs et agences de presse' (2019) La revue europeenne des media et numerique *N°52 Automne 2019*, https://la-rem.eu/2019/11/le-nouveau-droit-voisin-des-editeurs-et-agences-de-presse (last accessed 25 July 2020); T. Azzit 'Le droit voisin des éditeurs de publications de presse ou l'avènement d'une propriété intellectuelle catégorielle' (2019) *Dalloz IP/IT*, n° 270, mai 2019, 297; Jean-Michel Bruguière, 'Le droit voisin des éditeurs de presse dans la directive sur le droit d'auteur dans le marché numérique et sa transposition en droit français' (2019) 371 Legipresse 267.

68 See the press release of the French Autorité de la Concurrence, https://www.autoritedelaconcurrence.fr/en/press-release/related-rights-autorite-has-granted-requests-urgent-interim-measures-presented-press

tools (i.e., fragments of code) to allow publishers to authorize the use of their content as well as the extent of the permitted use, such as the length of snippets, the quality of the images or the duration of video previews. However, in order not to undermine the functioning and the policies of its services, Google confirmed its policy not to remunerate publishers.[69] Moreover, it continued using the headlines of press articles within its services, without seeking publishers' *ex ante* consent, considering such uses exempted from the related right.

One may wonder whether the change in Google's policies has been motivated by the peculiarities of the French model, notably the qualitative standard to identify "short extracts" and the new guidelines and duties to determine the amount of remuneration, or if the change is only in response to the first national transposition of the Directive (so that would have been substantially the same for different national wordings). Anyway, as a reaction, the majority of press publishers authorized the use of the content free of charge, while the publishers not authorizing such uses lost "between 26% and 90% of the redirected traffic to their webpages".[70] Among the first group of publishers, the majority authorized Google to display the maximum length of the snippets of text, the maximum quality of photos and the maximum length of video previews.[71] This fact highlights, oddly, that publishers are not particularly concerned about the substitution effect that the extent of the content displayed may have for their readers.

Following a complaint issued by the unions representing press publishers and Agence France-Presse (AFP) the FCA, in a decision in April 2020 found that Google's behavior was likely to constitute an abuse of dominant position.[72] Because of the alleged "serious and immediate harm to the press sector", the FCA ordered urgent interim measures by requiring Google, within three months, to conduct negotiations in good faith with publishers and news agencies on remuneration for the reuse of their press publications. The order required "that the negotiations effectively result in a proposal for remuneration from Google", according to transparent, objective and non-discriminatory criteria.[73]

According to the FCA's assessment at that stage of the investigation, Google would have abused the dominant position held on the French market for general search services on three different grounds. First, because of the avoidance of any form of negotiation and remuneration for the reuse and display of press publications, Google would have imposed unfair transaction conditions.[74] Due to the weight of Google's redirecting traffic to press publishers' websites, indeed, delisting content from Google would not have been a real choice for press publishers. Second, it would have implemented a discriminatory practice[75] consisting of the imposition of a "principle of zero remuneration on all publishers without examining their respective situations, and the corresponding protected content, according to the precise criteria laid down by the law on related rights".[76] Lastly, Google would have abused of its dominant position through the circumvention

69 See Autorité de la concurrence, decision of 9 April 2020, n. 20-MC-01 'relative à des demandes de mesures conservatoires présentées par le Syndicat des éditeurs de la presse magazine, l'Alliance de la presse d'information générale e.a. et l'Agence France-Presse', 29 https://www.autoritedelaconcurrence.fr/fr/decision/relative-des-demandes-de-mesures-conservatoires-presentees-par-le-syndicat-des-editeurs-de (last accessed 25 July 2020).

70 Autorité de la concurrence, Decision n. 20-MC-01 (n. 70), 33.

71 Ibid., 31.

72 Ibid. At the time of writing the proceeding is still ongoing, also under the profile of a possible abuse of economic dependence.

73 This negotiation must retroactively cover the fees due as of the entry into force of the law on 24 October 2019. The interim injunctions have been confirmed by the Paris Court of Appeal, decision of 8 October 2020, n. 20/08071.

74 See L. 420–2 of the French Code de commerce and Art. 102.a TFUE

75 See L. 420–2 of the French Code de commerce and Art. 102.c TFUE.

76 Autorité de la concurrence, Decision n. 20-MC-01 (n. 70).

of the law on the press publishers' right by: (i) imposing a "principle of zero remuneration" without possibility of negotiation, (ii) failing to communicate the obligatory information for the fixation of the remuneration required by the new law and (iii) reproducing the press publications' headlines without seeking the publishers' prior consent. The FCA considered Google's behavior not supported by any objective justification. On this specific assessment, the French decision differs radically from the GCA decision discussed above (issued in the wake of the German ancillary right and before the Directive). On a final note, in assessing the potential effects of Google's anticompetitive behavior, FCA also mentioned the effects on the internet search services market, where the position of smaller players, which do not have the same asymmetry of bargaining power *vis-à-vis* press publisher, may be further weakened.[77]

The matter is far from settled.[78] This said, it appears that, although the French version of the related right does not explicitly grant press publishers a right to obtain fair remuneration or to impose on their counterparts an obligation to contract, such measures may *de facto* be imposed in light of the "special responsibility" of digital platforms holding a dominant position. This confirms that, far from being an IP matter, the nature of the problem concerns mainly the regulation of a platform-to business relationship, i.e., the regulation of the relationship of a special category of businesses with platforms that, due to their market power and network effects, can be considered sort of "gatekeepers". Even the discussions within the ongoing national implementation processes seem to focus especially on two issues: first, whether to impose (within the negotiation) a duty to share information on the revenues stemming from the content use (in order to fill the gap between the investments and their returns) and, second, how to define the "individual words or very short extracts of a press publication".[79]

In all this, transparency duties and guidelines for the determination of remuneration are typical examples of disclosure regulations used to remedy asymmetries in bargaining power, used, for instance, in authors-to-publishers relationships[80] and in business-to-platforms (general) relationship.[81]

What way forward?

Introduced as sort of *ad hoc* right, the new related right in "press publications" presents the risk to (further) fragmenting the EU copyright and related rights system, which already struggles to find internal consistency.

The main aim of the EU reform to support the sustainability of the press by creating a level playing field between digital services and publishers needs to be carefully considered when implementing, interpreting and applying the new right, so to avoid any unbalanced results that would impact on the freedom of information and expression or hinder the development of innovative new technologies and online services.[82] Among the main concerns raised by the new right as

77 Ibid., 60.

78 For instance, Google is developing "a new licensing program to support the news industry", https://blog.google/outreach-initiatives/google-news-initiative/licensing-program-support-news-industry-/ (last accessed 25 July 2020).

79 See the implementation tracker Communia (n. 57).

80 See Directive 2019/790/EU (n.1), Art. 19.

81 Regulation 2019/1150/EU of the European Parliament and of the Council of 20 June 2019 on promoting fairness and transparency for business users of online intermediation services [2019] OJ L 186.

82 For an opinion considering that these rights are not capable to encourage publishers to modernize their business models, see Martin Senftleben, Maximilian Kerk, Miriam Buiten, Klaus Heine, 'New Rights or New Business Models? An Inquiry into the Future of Publishing in the Digital Era' (2017) 48 IIC 538–561.

described above is the delineation of the scope thereof, including the definition of "single words and very short extracts of press publications". It would not be acceptable if such right was used to circumvent basic principles of IP law about the boundaries of information appropriation. In all this, it is also necessary to enhance legal certainty for online service providers. While the qualitative criterion of the French law is not fully convincing, one may wonder if quantitative standards would be useful instead.[83] Probably the most viable solution could be to combine the two criteria: have qualitative guidelines that respect freedom of information coupled with an open list of examples. Moreover, in order to tackle abuses of the rights by press publishers and strike a fair balance between exclusive rights and conflicting interests, a proportionality and reasonableness test should also be applied. Such a test would also help provide internal consistency with the whole EU copyright and related rights system.[84] In addition, the conflict between the exercise of the rights *vis-à-vis* the permitted uses will have to deal with the elephant in the room, namely the application of the quotation exception in such context.

Besides the problems raised by its potentially unbalanced nature, the new related right for press publishers casts also a doubt about its workability as a solution to help the sustainability of the press in the digital environment. According to many scholars, the rights will likely be ineffective. In light of the first national transposition of the Directive, new questions arise around the transparency duties and guidelines for the determination of remuneration for the new related rights *à la française*. Could these rules allow publishers to undertake more transparent negotiations with online service providers in such a way as to achieve a win-win situation? Do such contractual disclosure duties on consumers' uses of press publication help publishers to have more information about press publications consumption and distribution in the digital environment, as digital platforms – such as news aggregators and search engines – have a closer relationship with readers and collect valuable data on their habits and preferences?

Overall, the systematic glimpse that has been addressed in this chapter shows that the impact of the introduction of the new right on the competitive dynamics calls for a constant scrutiny on the interplay between copyright and related rights law with competition law. On the one hand, the reaction of Google following the introduction of the French law raised competition law concerns, because of the dominant position of the firm in the French online search engines market. Unlike the assessments of other national authorities, the FCA found that Google's refusal to negotiate a remuneration with press publishers *tout court* overstepped competition law limits and ordered urgent interim measures. On the other hand, the general application of the right may disproportionately harm smaller players, by increasing transaction costs and raising the market entry barriers with the result of reinforcing the position of bigger players. In addition, the possible exercise of the new right "by means of exclusive licenses and discriminating terms and pricing"[85] with the best placed platforms may further weaken the position of smaller (and new) players and start-ups in EU digital markets. Alternative solutions may rely on fair compensation schemes, where the measure of the compensation is determined by collective bargaining[86], but the viability of such solutions would

83 See, for instance, the German case-law on the interpretation of the early German ancillary rights for press publishers (n. 24).

84 For a suggestion on the application of such test see Caterina Sganga and Silvia Scalzini, 'From Abuse of Right to European Copyright Misuse: A New Doctrine for EU Copyright Law' (2017) 48(4) IIC- International Review of Intellectual Property and Competition Law, 405–435.

85 Raquel Xalabarder 'CREATe Public Lectures on the Proposed EU Right for Press Publishers' (n. 4), 622.

86 See Gustavo Ghidini and Francesco Banterle, 'Copyright, news, and "information products" under the new DSM Copyright Directive' (n 48).

depend on the choices of national legislators and on their margin of discretion within the implementation process.

In conclusion, even if it might have been a move of a relevant match played in the digital economy, the press publishers' related right does not seem a model to be taken to build a balanced and consistent EU copyright and related rights system in the digital single market.

References

Azzit T. 'Le droit voisin des éditeurs de publications de presse ou l'avènement d'une propriété intellectuelle catégorielle' (2019) Dalloz IP/IT, n° 270, mai 2019, 297.

Bently Lionel, Kretschmer Martin, Dudenbostel Tobias, Clatrava Moreno Maria del Carmen and Radauer Alfred, 'Strengthening the Position of Press Publishers and Authors and Performers in the Copyright Directive' (10 September 2017) European Parliament, Study for the JURI committee, Brussels, 15, http://www.europarl.europa.eu/RegData/etudes/STUD/2017/596810/IPOL_STU(2017)596810_EN.pdf (last accessed 25 July 2020).

Bently Lionel and Others, '*Response to Article 11 of the Proposal for a Directive on Copyright in the Digital Single Market, entitled 'Protection of Press Publications concerning Digital Uses*' on behalf of 37 Professors and Leading Scholars of Intellectual Property', Information Law and Digital Economy, 1 (Dec. 5, 2016), https://www.cipil.law.cam.ac.uk/sites/www.law.cam.ac.uk/files/images/www.cipil.law.cam.ac.uk/documents/ipomodernisingipprofresponsepresspublishers.pdf (last accessed 25 July 2020).

Bruguière Jean-Michel, 'Le droit voisin des éditeurs de presse dans la directive sur le droit d'auteur dans le marché numérique et sa transposition en droit français' (2019) 371 Legipresse, 267–277.

CIPIL, CEIPI, CREATe, Humboldt-UniversitätBerlin, IViR, University of Amsterdam, MPI Munich, Nexa, Politecnico di Torino, Universitat Oberta de Catalunya (UOC), SciencesPo, Paris, TilburgUniversity, Copyright Reform: Open Letter to Members of the European Parliament and the Council of the European Union from European Research Centres, EU Copyright Reform Proposals Unfit for the Digital Age (Feb. 24, 2017), http://www.create.ac.uk/wpcontent/uploads/2017/02/OpenLetter_EU_Copyright_Reform_24_02_2017.pdf (last accessed 25 July 2020).

EPIP Academics to Members of the European Parliament in advance of the Plenary Vote on the Copyright Directive on 12 September 2018: Vote for a balanced European copyright law, https://www.create.ac.uk/wp-content/uploads/2018/09/Statement-by-EPIP-Academics.pdf (last accessed 25 July 2020).

European Copyright Society, 'Answer to the EC Consultation on the Role of Publishers in the Copyright Value Chain', 15 June 2016, https://europeancopyrightsocietydotorg.files.wordpress.com/2016/06/ecs-answer-to-ec-consultation-publishers-role-june16.pdf (last accessed 25 July 2020).

Falce Valeria, Bixio Maria Letizia, 'Verso un nuovo diritto connesso a favore degli editori on line. Brevi note su recenti derive (iper)-protezionistiche' (2016) http://www.dimt.it/wp-content/uploads/2016/09/Paper-Ancillary-copyright-Draft.pdf (last accessed 25 July 2020)

Geiger Christophe, Bulayenko Oleksandr and Frosio Giancarlo F., 'The Introduction of a Neighbouring Right for Press Publisher at EU Level: The Unneeded (and Unwanted) Reform' (2017) 39(4) EIPR 202.

Ghidini Gustavo and Banterle Francesco, 'Copyright, news, and "information products" under the new DSM Copyright Directive' (forthcoming) in *Studi per Di Cataldo*, pre-print available at https://www.researchgate.net/publication/342707640 (last accessed 23 December 2020).

Geradin Damien, 'Complements and/or Substitutes? The Competitive Dynamics Between News Publishers and Digital Platforms and What It Means for Competition Policy' (2019) Antitrust &Public Policies 4.

Hilty Reto M., Moscon Valentina (eds), 'Modernisation of the EU Copyright Rules. Position Statement of the Max Planck Institute for Innovation and Competition' (2017) Max Planck Institute for Innovation and Competition Research Paper No. 17-12, http://pubman.mpdl.mpg.de/pubman/item/escidoc:2470998:11/component/escidoc:2479390/E-Book%20-%20Hilty%20-%20Moscon%20-%2018.09.2017.pdf (last accessed 25 July 2020).

Höppner Thomas, Kretschmer Martin and Xalabarder Raquel, 'CREATe Public Lectures on the Proposed EU Right for Press Publishers' (2017) 39(10) EIPR 607.

Hugenholtz P. Bernt, 'Neighbouring Rights are Obsolete' (2019) 50(8) IIC 1006.

Hugenholtz P. Bernt, 'Say Nay to the Neighbouring Right', KLUWER COPYRIGHT BLOG (Apr. 14, 2016), http://kluwercopyrightblog.com/2016/04/14/say-nay-to-the-neighbouring-right/ (last accessed 25 July 2020).

IViR, 'Academics against Press Publishers' Right' (24 April 2018), https://www.ivir.nl/academics-against-presspublishers-right/ (last accessed 25 July 2020).

Karapapa Stavroula, 'The Press Publication Right in the European Union: An Overreaching Proposal and the Future of News Online', in Enrico Bonadio and Nicola Lucchi (eds.), *Non-Conventional Copyright: Do New and Non-Traditional Works Deserve Protection?* (Edward Elgar, 2018).

Kretschmer Martin, Dusollier Séverine, Geiger Christophe and Hugenholtz P. Bernt, 'The European Commission's Public Consultation on the Role of Publishers in the Copyright Value Chain: A Response by the European Copyright Society' (2016) 38(10) EIPR 591.

M. Calin, C. Dellarocas, E. Palme and J. Sutanto, 'Attention Allocation in Information-Rich Environments: The Case of News Aggregators' (16 February 2013), Boston U. School of Management Research Paper No. 2013-14, SSRN: http://ssrn.com/abstract=2225359 or http://dx.doi.org/10.2139/ssrn.2225359 (last accessed 25 July 2020).

Mouron Philippe, 'Le nouveau droit voisin des éditeurs et agences de presse' (2019) La revue europeenne des media et numerique N°52 Automne 2019, https://la-rem.eu/2019/11/le-nouveau-droit-voisin-des-editeurs-et-agences-de-presse/ (last accessed 25 July 2020).

Nordemann Jan Bernd, Jehle Stefanie, 'VG Media/Google: German Press Publishers' Right Declared Unenforceable by the CJEU for Formal Reasons – But it Will Soon be Re-born', KLUWER COPYRIGHT BLOG (Nov. 11, 2019), http://copyrightblog.kluweriplaw.com/2019/11/11/vg-media-google-german-press-publishers-right-declared-unenforceable-by-the-cjeu-for-formal-reasons-but-it-will-soon-be-re-born/?doing_wp_cron=1595776797.5947039127349853515625 (last accessed 25 July 2020).

Ohly Ansgar, 'The Press Publisher's Right', presentation at the Conference 'Copyright in the Digital Single Market –Analysis and Implementation of the New Directive', Brussels, 31 January 2020.

Peukert Alexander, 'An EU Related Right for Press Publishers Concerning Digital Uses. A Legal Analysis', Research Paper of the Faculty of Law, Goethe University Frankfurt am Main no 22/2016.

Pihlajarinne Taina and Vesala Juha, 'Proposed Right of Press Publishers: A Workable Solution?' (2017) 13(3) JIPLP 220.

Quintais João, 'The New Copyright in the Digital Single Market Directive: A Critical Look' (2020) 42(1) EIPR 28.

Ramalho Ana, 'Beyond the Cover Story – An Enquiry into the EU Competence to Introduce a Right for Publishers' (2017) 48 IIC 71.

Ricketson Sam and Ginsburg Jane, 'Intellectual Property in News? Why Not?', in Sam Ricketson and Megan Richardson (eds.), *Research Handbook on Intellectual Property in Media and Entertainment* (Edward Elgar 2016).

Ricolfi Marco, "La tutela delle pubblicazioni giornalistiche in caso di uso online" (2019) AIDA 33.

Rosati Eleonora, 'Neighbouring Rights for Publishers: Are National and (Possible) EU Initiatives Lawful?' (2016) 47/5 IIC 569.

Samuelson Pamela, 'Regulating Technology through Copyright Law: A Comparative Perspective' (2020) 42(4) EIPR 214.

Scalzini Silvia, 'Is there Free-riding? A Comparative Analysis of the Problem of Protecting Publishing Materials in Europe' (2015) 10(6) JIPLP 454.

Senftleben Martin, Kerk Maximilian, Buiten Miriam, Heine Klaus, 'New Rights or New Business Models? An Inquiry into the Future of Publishing in the Digital Era' (2017) 48 IIC 538.

Sganga Caterina and Scalzini Silvia, 'From Abuse of Right to European Copyright Misuse: A New Doctrine for EU Copyright Law' (2017) 48(4) IIC 405.

van Eechoud Mireille, 'A Publisher's Intellectual Property Right: Implications for Freedom of Expression, Authors and Open Content Policies' (2017) OpenForum Europe, 32, http://www.openforumeurope.org/wp-content/uploads/2017/01/OFE-Academic-Paper-Implications-of-publishers-right_FINAL.pdf (last accessed 25 July 2020).

Vollmer Timothy, Nobre Teresa and Dimitrov Dimitar, 'Article 15: Protection of Press Publication Concerning Online Uses', Communia DSM Directive Implementation Portal, https://www.

notion.so/Article-15-Protection-of-press-publications-concerning-online-uses-b52804451f3e4f56b8aa66013b28aa95 (last accessed 25 July 2020).

Xalabarder Raquel, 'The Remunerated Statutory Limitation for News Aggregation and Search Engines Proposed by the Spanish Government; Its Compliance with International and EU Law' (2014), IN3, Working Paper Series WP14-004.

Decisions and case law

Italian Competition Authority, *Autorità Garante della Concorrenza e del Mercato* (AGCM), decision No 21959 of 22 December 2010, Case A420, *Federazione Italiana Editori Giornali/Google*, Bollettino No 51/2010, https://en.agcm.it/en/media/press-releases/2011/1/alias-1929 (last accessed 25 July 2020).

Italian Competition Authority, *Autorità Garante della Concorrenza e del Mercato* (AGCM), decision No AS787 (ex S1236) of 17 January 2011 and decision No AS1050 (ex S1806) of 24.5.2013.

Spanish Competition Authority, *Comisión Nacional de los Mercados y la Competencia*, opinion *PRO/CNMC/0002/14*, 16 May 2014, http://cnmcblog.es/wp-content/uploads/2014/05/140516-PRO_CNMC_0002_14-art-322PL.pdf (last accessed 25 July 2020).

CJEU, judgment in *Nils Svensson and Others v. Retriever Sverige AB*, Case C-466/12, [2014] ECLI:EU:C:2014:76.

CJEU, judgment in *BestWater International GmbH v. Michael Mebes, Stefan Potsch*, Case C-348/13, [2014] EU:C:2014:2315 (order of the Court).

German Competition Authority, *Bundeskartellamt*, 6th Decision Division B6-126/14 of 8 September 2015, Google Inc. vs. Third Parties.

Regional Court of Berlin, decision of 19 February 2016, Case 92 O 5/14 Kart, VG Media v. Google, GRUR-RR 2016, 426.

CJEU, judgment in *GS Media BV v. Sanoma Media Netherlands BV, Playboy Enterprises International Inc., Britt Geertruida Dekker*, Case C-160/15, [2016] EU:C:2016:644

Higher Regional Court of Munich, decision of 14 July 2016, 29 U 953/16, GRUR-RR 2017, 89.

CJEU, judgment in *Stichting Brein v Jack Frederik Wullems*, Case C-527/15, [2017] EU:C:2017:300.

CJEU, judgment in *VG Media Gesellschaft zur Verwertung der Urheber- und Leistungsschutzrechte von Medienunternehmen mbH v Google LLC*, Case C-299/17 [2019], EU:C:2019:716.

French Competition Authority, *Autorité de la concurrence*, decision of 9 April 2020, n. 20-MC-01 '*relative à des demandes de mesures conservatoires présentées par le Syndicat des éditeurs de la presse magazine, l'Alliance de la presse d'information générale e.a. et l'Agence France-Presse*', https://www.autoritedelaconcurrence.fr/fr/decision/relative-des-demandes-de-mesures-conservatoires-presentees-par-le-syndicat-des-editeurs-de (last accessed 25 July 2020).

Paris Court of Appeal, decision of 8 October 2020, n. 20/08071



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

SECTION III

The scope of exclusive rights and liability for the doing of unauthorized acts



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

7
THE RIGHT OF REPRODUCTION

Caterina Sganga

Abstract

The right of reproduction – commonly considered the core of copyright – has always been the first entitlement to face the challenges raised by technological developments. The digitization of protected works and the advent of the internet have drastically broadened the range of conducts involving acts of copying, triggering heated policy discussions on the optimal extension of exclusivity. Against the silence of international sources, the EU legislator has harmonized this right in the Software, Database and InfoSoc Directives. However, the broad definitions and unclear exceptions provided therein have created greater uncertainties. National courts have struggled with the classification of a wide range of new technological processes and with the treatment of partial and temporary reproductions, while scholars have raised concerns on the effect that an overstretching of the right would have had on the functioning of the internet, the development of digital markets, and users' enjoyment of their digital freedoms. The chapter illustrates the path leading to the definition of the right of reproduction by international and EU sources, delineates the uncertainties regarding its scope, and comments on the evolution of the notion in the case law of the Court of Justice of the European Union (CJEU), highlighting positive contributions, pitfalls and gaps yet to be filled.

Contents

Abstract 123
Introduction 124
The right of reproduction in legislative texts 126
International background and preparatory works 126
The scope of the right of reproduction in EU directives 128
Exceptions and limitations 130
CJEU case law 134
General principles and definitions 134
Temporary reproduction and related exception(s) 136
Partial reproduction 139
Format shifting: reproduction or adaptation? 141
Private copying and fair remuneration 142
Other exceptions to the right of reproduction (Article 5(2) and (3) InfoSoc) 143

Conclusions 147
References 148
Case law 149

Introduction

The right of reproduction was one of the first exclusive rights introduced by national copyright laws.[1] The entitlement is commonly defined as the "core" of copyright[2] and at the heart of its conceptualization.[3]

From the early-days printing privileges to the classic right to prevent material duplications, reproduction has always been the first entitlement to face the challenges raised by technological developments and the broadening of the subject matter of copyright. With an acceleration in the 20th century, new devices have made copying cheaper, faster and available for any user. Format shifting has become common. Ultimately, the digitization of protected works and the internet have drastically broadened the range of conducts involving reproductions, and particularly temporary ones.[4] Against this background, adopting a purely technical definition of the boundaries of the right could have resulted in the construction of an overstretched right, and in the privatization of almost every conduct involving digital works, regardless of its impact on rightholders' economic interests. Not unexpectedly, the policy debate regarding the 'right' approach to digital uses became soon heated, triggering a panoply of different reactions at an international, EU, and national level alike.

Despite the relevance of this right in the digital environment, the first international conventions regulating digital copyright and related rights – the 1996 WIPO Copyright Treaty (WCT) and WIPO Performances and Phonograms Treaty (WPPT)[5] – did not intervene on it, referring back to the relatively "old" definition provided by the Berne Convention.[6] The Agreed Statement to Article 1(4) WCT justified the omission by arguing that the international *acquis* was already equipped with provisions that could be adapted to the features of digital works.[7] Yet, too many questions were left unsolved, and with them the obvious risk of fragmentation of national responses to new technological developments.

On the contrary, the EU legislator perceived since the early days the need to harmonize exclusive rights and create a common vocabulary that could flatten the divergences in Member States' approaches. Despite the common adhesion of EU countries to the Berne Convention, in fact, national statutes differed as to the approach to the rights – from very

1 Already the Statute of Anne recognized to authors the 'sole Liberty of Printing and Reprinting' their books (An Act for the Encouragement of Learning, 8 Anne c.19 (1719), and so did the French Act of 1793 (Decret-loi du 1er septembre 1793 sur la propriété litteraire et artistique, in (1893) 11 Le Droit D'Auteur 131) and the Prussian Act of 1837 (as reprinted in (1988) 107 UFITA 190).

2 Commission, Green Paper 'Copyright and Related Rights in the Information Society' COM (95) 382 final, 49.

3 See, similarly, Ansgar Ohly, 'Economic Rights', in Estelle Derclaye (eds) *Research Handbook on the Future of EU Copyright* (Elgar, 2008), 212, and Michel M Walter, Silke von Lewinski (eds) *European Copyright Law. A Commentary* (OUP, 2010) 963.

4 This is well emphasized in Green Paper Copyright (n 2), 51, and already in Commission, Green Paper 'Copyright and the Challenge of Technology – Copyright Issues Requiring Immediate Action', COM (88) 172 final, 7–8.

5 WIPO Copyright Treaty, 36 ILM 65 (1997); WIPO Performances and Phonograms Treaty, 36 ILM 76 (1997).

6 Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and amended in 1979, S. Treaty Doc. No. 99-27 (1986).

7 *Agreed Statements concerning the WIPO Copyright Treaty, adopted by the Diplomatic Conference of December 20, 1996, Concerning Article 1(4)*, http://www.wipo.int/treaties/en/text.jsp?file_id=295456 (last accessed 5 July 2020).

broad categories to very detailed lists[8] – the terminology used, and the conducts covered by each entitlement.[9] From the Software Directive I (1991)[10] on, the EU harmonization has created a broad *acquis communautaire* characterized by a piecemeal approach, drawing upon international and national definitions, while the Court of Justice of the European Union (CJEU) has progressively construed autonomous concepts of EU (copyright) law, narrowing ever more the space left to national legislators.

The InfoSoc Directive[11] attempted to conclude the path started by the Software and Database Directives and to provide a comprehensive, clear and updated definition of the right of reproduction.[12] However, its text was already born aged,[13] and destined to create interpretative challenges. The broad definition provided by Article 2 InfoSoc and the uncertain scope of the exception of transient reproduction (Article 5(1) InfoSoc) triggered great uncertainties as to the extent of rightholders' control over a wide range of digital uses, transmissions and processes, factually increasing the number of restricted acts.[14] Scholars and stakeholders soon showcased their fears that an overstretched reproduction right could disproportionately impact on the functioning of the internet, have chilling effects on the development of new digital distribution models, and improperly cover acts of consumption and reception of information.[15] National courts have struggled with the classification of acts such as caching, linking, streaming, search engine indexing and thumbnailing, with the overlap of rights of reproduction and communication to the public, and with the definition of the borders of partial reproduction *vis-à-vis* activities such as music sampling.[16] Rightholders and collecting societies have claimed multiple remunerations for single transmissions and from multiple actors in the digital transmission chain, for instance, for the copies made both at the beginning (on the server) and at the end (on the user's device) of the communication.[17]

Commentators and policy makers have long called for the adoption of a normative – rather than technical – approach to the right of reproduction, in order to include within

8 It is common to compare the French tradition, flanked by that of countries such as Finland or Hungary, characterized by broad definitions, with approaches such as those of the UK Copyright, Design and Patents Act, where rights are defined in analytical detail. See Mireille van Eechoud et al., *Harmonizing European Copyright Law. The Challenges of Better Lawmaking* (Wolter Kluwer 2009) 68.

9 Ibid, noting how the distribution of tangible copies is classified in some countries as part of the right of communication to the public, in others as part of the reproduction right, in yet others under a general "making available" right.

10 Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, OJ L122/42 (Software Directive I).

11 Directive 2001/29/EC of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society [2001] OJ L167/10 (InfoSoc Directive).

12 See Commission, Explanatory Memorandum to the Proposal for a Directive on the harmonization of certain aspects of copyright and related rights in the Information Society, COM (97) 628 final, 13.

13 As noted by Martin Kretschmer, 'Digital Copyright: the End of an Era' (2003) 25 EIPR 333, 335.

14 See, similarly, van Eechoud et al. (n 8), 75.

15 This is the reason why during the negotiations for the WCT several countries advocated for a complete exclusion of temporary reproductions from the scope of the right. See Records of the Diplomatic Conference on Certain Copyright and Neighbouring Rights Questions (1996) WIPO Publication 348, docs CRNR/DC/22, CRNR/DC/53, CRNR/DC/53, CRNR/DC/56, CRNR/DC/73 containing amendments for a carve out on the reproduction right by Norway, Australia, a coalition of 30 African States, and a coalition of 20 Latin American States.

16 Several cases are reported and commented on by van Eechoud et al (n 8), 84–87. See also Mark Turner, Dominic Callaghan, 'You Can Look But Don't Touch! The Impact of the Google v Copiepresse Decision on the Future of the Internet' (2008) 30 EIPR 34.

17 Walter-Von Lewinski (n 3), 965.

its scope only those conducts that have a functional and economic impact on rightholders' interests, and not every act that could be technically defined as a reproduction.[18] Yet, courts have rarely followed this path in a consistent fashion. At the same time, the very general and broad formulation of Article 2 InfoSoc and its uncertain relationship with the correspondent provisions in the Software and Database Directive have engendered a number of systematic questions, leading to several interventions by the CJEU, which have substantially reshaped the scope of the right in the past two decades.

This chapter will offer an overview of the path that has led to the definition of the scope of the right of reproduction at an international and EU level. Then, it will comment on the evolution that the notion and its-subcategorization have witnessed from 2001 on in the CJEU case law, with particular attention to general definitions, temporary reproductions and related exceptions, partial reproduction, format shifting and adaptation, and private copying and other exceptions. It will conclude by providing some remarks on strengths pitfalls, and gaps yet to be filled.

The right of reproduction in legislative texts

International background and preparatory works

The exclusive right of reproduction was first harmonized at an international level by the Berne Convention (BC), in occasion of its Stockholm and Paris revisions (1967–1971). As testified by preparatory works, its late introduction was not a sign of lack of convergence around the notion and scope of the right, but was rather caused by disagreements among national delegations on the scope of its exceptions.[19] In fact, the right was taken for granted by all the States members of the Berne Union, and almost identically regulated by the respective national statutes.[20]

Article 9 BC attributes to authors of literary and artistic works "the exclusive right of authorizing the reproduction of these works, in any manner or form" (Article 9(1)). It considers as reproduction "any sound or visual recording" (Article 9(2)), and subordinates the introduction of national exceptions to the three-step test (Article 9(3)). Compared to earlier copyright acts, the Convention makes a step forward and covers not only reprinting but any form of reproduction, including both direct and indirect forms and format shifting, as confirmed by the fact that Article 9 does not distinguish between original first fixation and subsequent copies of the work.[21] The distinction is present, instead, in national legislations and international texts. In the Rome Convention,[22] for instance, Articles 7(b) and 13(a) attribute, respectively, to performers and broadcasting organizations, the right to prevent

18 See, e.g., Legal Advisory Board (LAB), Reply to the 1995 Green Paper on Copyright and Related Rights in the Information Society, Brussels, 20 November 1996. On the need for a normative approach to the notion, see Bernt Hugenholtz, Kamiel Koelman, 'Copyright Aspects of Caching: Digital Intellectual Property Practice Economic Report', Amsterdam, Institute for Information Law, 1999, 2.

19 As reported by Sam Ricketson and Jane Ginsburg, *International Copyrights and Neighboring Rights. Berne Convention and Beyond*, vol 1 (2nd ed, OUP 2006), 622.

20 See Michel M. Walter, in Michel M. Walter (ed) *Europaisches Urheberrecht, Kommentar* (Springer 2001), para 47; Dietrich Reimer and Eugen Ulmer, 'Die Reform der materiellrechtlichen Bestimmungen der Berner Ubereinkunft' (1967) GRUR Int 431, 433.

21 The inclusion is specified in the General Report of the 1971 Diplomatic Conference of the Berne Union. The text is reported and commented on in Ricketson-Ginsburg (n 19) 626.

22 International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations, UN Treaty Series vol 496, 43.

the unauthorized fixation of their unfixed performance, while Articles 7(c) and 13(c) grant them the right to prevent the unauthorized reproduction of a fixation of their performance or broadcast, but only if the original fixation was made without their consent, or if the reproduction was made for a purpose different from those for which they consented or the exception was granted.[23] On the contrary, producers of phonograms enjoy only the right to prevent direct and indirect reproductions (Article 10 RC), since the act of fixation is a prerequisite for protection and does not amount to an independent right.

This was the background against which the European Commission (EC) kicked off its consultation on the need to harmonize copyright in the internal market in 1995, with the 'Green Paper on Copyright and Related Rights in the Information Society'.[24] Analyzing the reproduction right, the Green Paper emphasized how digital technologies caused yet another revolution after the introduction of reprography technologies, which were the first to increase the risk of large-scale unauthorized copying and to trigger legislative reactions in the form of *ad hoc* exceptions to the right of reproduction and related compensation schemes.[25] For the Commission, the digitization of works required the concept of reproduction to be reviewed, in line with the solutions adopted by the Software Directive I, which extended the definition to cover ordinary uses (digitization, intermediate copies, downloading into main memory) and thus also temporary acts.[26] However, rather than focusing on the definition of the scope of the right *vis-à-vis* new digital forms of exploitation, the Green Paper emphasized the need to rethink the regulation of private copying via statutory licensing and equitable remuneration, in light of the possibility offered by digital technologies to control and prevent access and copy. This circumstance, together with the high degree of fragmentation of exceptions among Member States, led the Commission to prioritize the intervention on the limitations to reproduction against the harmonization of its definition.[27]

In the Follow-up to the Green Paper (1996),[28] the EC concluded for the necessity to set out the content of the right on the basis of the *acquis communautaire*, covering digitization and other acts such as scanning, uploading, downloading, transient and other ephemeral acts of reproduction.[29] The most important matters to be addressed remained, however, the harmonization of private copying and, more generally, of exceptions to reproduction in the digital environment, framed in light of their economic impact under Article 9(2) BC.[30]

Neither the TRIPs Agreement nor the WCT intervened on the right of reproduction, requiring only compliance with Articles 1 to 21 BC.[31] As made explicit in the Agreed Statement on Article 1(4) WCT, the drafters of the WCT believed that existing international rules were already wide enough to cover reproductions in the digital environment.[32] On the

23 Article 7(c)(iii) includes also the case when the fixation, albeit unauthorized, was made in accordance to the exceptions provided under Article 15 RC, but the reproduction was till made for purposes different from those referred to in the latter provision.

24 COM (95) 382 final.

25 Ibid., 49.

26 Ibid., 50, 52.

27 Ibid., 52. The questions submitted for consultation, in fact, were whether digitization and private copying should be covered by reproduction, to which extent, and subject to which exceptions and/or remuneration schemes.

28 Commission, 'Follow-up to the Green Paper on Copyright and Related Rights in the Information Society', COM (96) 586 final.

29 Ibid., 11.

30 Ibid., 12.

31 Article 9 TRIPs; Article 1(4) WCT.

32 Agreed Statements (n 7).

contrary, the WPPT partially modified the approach of the Rome Convention, by making unconditional for performers and phonogram producers the right of direct and indirect reproduction, in any manner or form, of their fixed performance (Article 7) and of their phonograms (Article 11). Performers were granted also, as in the Rome Convention, the right of first fixation (Article 6).

This was the basis on which the EU legislator constructed concept, scope and structure of the right of reproduction,[33] helped, in the past two decades, by the CJEU.

The scope of the right of reproduction in EU directives

The first mention of the right of reproduction can be found in Article 4(2) Software I (1991), which follows the text of the Berne Convention, specifying that the right covers both permanent and temporary reproductions of the work, in any manner or form, in part or in whole. In fact, the provision did not introduce any substantial innovation. Temporary reproductions were meant to be included also under Article 9(1) BC, according to the General Report to the Convention, while the extension of the exclusivity to parts of a work was commonly accepted among Member States, albeit to different extents.[34] However, the new definition triggered fears of overprotection. Article 1(3) Software, in fact, covers any part of the work which is original by itself, and the Directive sets a very low originality benchmark to grant protection. As a result, commentators flagged the risk that even the smallest reproduction, if showing basic individuality, could amount to an infringement, with obvious distortive effects.[35]

While it was clear that the right covered reproductions on different supports and means, before the enactment of that directive, Member States diverged on the treatment of the mere running of a program on a computer.[36] To tackle the problem, Article 4(2) Software I extended the notion to include also reproductions necessary for "loading, displaying, running, transmission or storage" of the software, using a broad concept akin to the Anglo-American tradition rather than to the continental European approach.[37] By this move, and more generally by the inclusion of temporary reproductions, that directive wanted to make sure that all utilizations of the programs which may damage a rightholder's interest remain under their control, regardless of their type.[38]

A few years later, the Database Directive[39] included among the exclusive rights granted over the original selection or arrangement of content of a database the right to carry out or authorize its temporary or permanent reproduction by any means and in any form, in whole or in part (Article 5(a)). As also underlined in the Explanatory Memorandum, a mere reproduction of part of the database content does not constitute infringement, although the border

33 Explanatory Memorandum to the Proposal for a Directive on the harmonization of certain aspects of copyright and related rights in the Information Society, COM(97) 628 final.

34 Ricketson-Ginsburg (n 19) 626.

35 Walter Blocher, Michel Walter, 'Computer Program Directive, Article 4', in Walter-von Lewinski (n 3) 81, 126.

36 Ibid. See also the analysis provided by Michel Vivant, 'Copyrightability of Computer Programs in Europe', in Alfred Meijbook, Corien Prins (eds), *The Law of Information Technology in Europe* (Deventer, 1992) 103, 111.

37 A number of EU countries belonging to the continental tradition, in fact, showed a cautious and narrow approach to the definition of what amounted to temporary reproduction when the functioning of the software was involved. This is also noted by Blocher-Walter (n 35) 129. The act of loading without reproduction is thus excluded from the scope of Article 4(a) Software I.

38 See Explanatory Memorandum (n 33), part 2, note on Article 4(1)(a).

39 Directive 96/9/EC of the European Parliament and the Council of 11 March 1996 on the legal protection of databases OJ L77/20 (Database Directive).

between this conduct and the partial reproduction of the database selection or arrangement might be hard to assess.[40] The EU legislator omitted to address other questions, such as the definition and regulation of transient reproductions. Yet, scholars have argued that the legislative intention to have the latter covered by Article 5(a) Database clearly emerge, *a contrario*, from the broad notion of "temporary" and the introduction of a specific exception for lawful uses under Article 6(1) Database.[41] This interpretation would be confirmed by the fact that Article 5(1) InfoSoc, which introduced the general mandatory exception for transient reproductions, has not been extended to cover the subject matter of Directive 96/9/EC.[42]

In 2001 the InfoSoc Directive complemented the definitions inherited from previous directives with the notion of "direct or indirect" reproduction,[43] and merged them into a unitary horizontal definition (Article 2) which should be given a broad interpretation (Recitals 9, 10 and 21 InfoSoc). The inclusion of indirect reproductions was meant to stretch rightholders' control to cover also copies made not from the original copy of the work but via different means or channels (e.g., fixation or recording of works communicated to the public, broadcast, etc.). The resulting broad definition opts for a technical – rather than functional – identification of what amounts to reproduction, with the aim of controlling every use of the work that requires making a copy of it, regardless of its economic or functional meaning.[44]

In line with international texts, Article 2 InfoSoc included reproductions "in any manner or form". This allows covering also the digitization of works and their storage, as requested by the Agreed Statement to Articles 1(4) WCT and 7, 11 and 16 WPPT. More problematic is, instead, the inclusion of any reproduction "in whole or in part". In fact, since individual fragments are subject to copyright only if they meet the originality threshold required for protection, it is not unreasonable to infer – as indeed the CJEU did in 2009[45] – that an infringement of Article 2 InfoSoc may take place only if the object of the partial reproduction is original enough to represent the author's own intellectual creation. This implies an inevitable connection of the notion of partial reproduction with that of protected work. However, while the latter concept is defined – with different levels of detail – by national copyright laws, the EU legislator explicitly decided to leave it out from the harmonization pursued with the InfoSoc Directive. Unsurprisingly, the breadth of such a systematic gap forced the CJEU, as we will see below, to intervene on the matter (relatively) soon after the entry into force of the InfoSoc Directive.[46]

In an effort to reach a full horizontal harmonization, Article 2 InfoSoc also standardized the reproduction right for authors, performers, phonogram producers, producers of first fixation of films, and broadcasting organizations.[47] The decision to assimilate copyright and related rights *vis-à-vis* reproduction departs from the continental tradition and the approach

40 Explanatory Memorandum (n 33) part 2, para 5.

41 E.g., Silke von Lewinski, Database Directive. Article 5', in Walter-von Lewinski (n 3), 678, 716. See also Mathias Leistner, 'Der neue Rechtsschutz des Datenbankherstellers' (1999) GRUR Int 819, 822.

42 This has been defined inconsistent by the Commission Staff Working Paper on the review of the EC legal framework in the field of copyright and related rights, SEC (2004) 995, 7–8.

43 As clarified by preparatory works, the inclusion of indirect reproductions was only meant to clarify the boundaries of the right, which already covered such forms under previous directives (ibid., 5–6). But contra Bernt Hugenholtz et al., The Recasting of Copyright and Related Rights for the Knowledge Economy. Report to the European Commission, DG Internal Market (2006), 54.

44 Ibid., 47.

45 In Case C-5/08 *Infopaq International A/S v Danske Dagblades Forening* [2009] EU:C:2009:465.

46 Ibid.

47 In line with this decision, Article 11(a) InfoSoc explicitly repeals Article 7 of Council Directive 92/100/EEC of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the

of international texts,[48] but does not go as far as to also eradicate the distinction between the right of reproduction and the right of first fixation,[49] which has been rightly labelled as artificial, [50] unnecessary, and confusing.[51] The result of this persisting dichotomy is a bifurcation in the meaning that "reproduction" has for authorial and entrepreneurial works.[52] In fact, authors are protected against any reproduction of the work, while producers only against reproductions – identical or at least identifiable – of the fixation, which prevents them from objecting to acts of copying that do not use recording. The consequences of such a distinction has been manifold, the most telling example being the different definition of the minimum amount of work to be copied in order to have an infringement, as in the case of sound sampling.[53] While several national courts have excluded that an author's right of reproduction was violated when the sampling was too short to reach the minimum originality/individuality required for protection, the absence of such a threshold in the case of producer's rights made other courts and commentators rule in favor of an absolute protection of any fragment of the phonogram, with no *de minimis* exclusion.[54] Also in this area, not unexpectedly, the CJEU had to intervene to put an end to the judicial *querelle*.[55]

Exceptions and limitations

To limit the risk of distortion and overprotection, the regulation of the right of reproduction was complemented by a number of tailored exceptions and limitations. The Software and Database Directives provide that specific acts of reproduction are not subject to the authorization of the rightholder, respectively, if they are necessary for the use of the software by the lawful acquirer in line with its intended purpose (Article 5(1) Software), or if they are finalized to the lawful user's access to and normal use of the content of the database (Article 6(1) Database).

Mirroring the exceptions for lawful uses, Article 5(1) InfoSoc aims at tackling the "problematic and unintended effects"[56] created by the protection of temporary reproductions in

field of intellectual property, OJ L346/61 (Rental Directive I), which regulated the right of reproduction for performers, producers of phonograms and broadcasting organizations.

48 On the point see Silke von Lewinski, *International Copyright Law and Policy* (OUP 2008), 975.

49 Article 6 Rental, in fact, was not repealed by the InfoSoc Directive.

50 By Ohly (n 3) 204.

51 Von Lewinski-Walter (n 3) 977

52 For similar observations see Lionel Bently, Brad Sherman, *Intellectual Property Law* (2nd ed, OUP, 2004) 136–137.

53 On the importance of sampling in the debate on the scope of the right of reproduction see Bernd Justin Jütte, Joao Quintais, 'Advocate General Turns down the Music – Sampling Is Not a Fundamental Right under EU Copyright Law' (2019) 41 EIPR 654.

54 See the debate reported by Ohly (n 3) 203–205.

55 In Case C-476/17 *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben* [2019] EU:C:2019:624.

56 This was the aim underlying the introduction of a similar exception in the basic negotiation text discussed at the WIPO Diplomatic Conference of 1996, which produced the WCT and WPPT. In the Basic Proposal for the Substantive Provisions of the Treaty on Certain Questions Concerning the Protection of Literary and Artistic Works to be Considered by the Diplomatic Conference (WIPO doc CRNR/DC/4 of 30 August 1996) the broad definition of the right of reproduction in Article 7(1), including also temporary reproduction, was flanked in Article 7(2) by a limitation for "cases where a temporary reproduction has the sole purpose of making the work perceptible or where the reproduction is of a transient or incidental nature, provided that such reproduction takes place in the course of use of the work that is authorized by the author or permitted by law". The text was amended multiple times, with the EU delegation proposing changes that would have later flown into the InfoSoc Directive. However, since the positions on the exception were irreconcilable, the entire Article 7 was crossed out from the draft treaties, resulting in the omission of the right of reproduction

the digital environment. The risk underlined by several commentators and stakeholders was that a very wide array of acts of temporary reproductions having no economic and functional meaning, but being essential for the functioning of the internet and for lawful uses such as digital processing and transmission of works would have improperly submitted to rightholders' control and authorization, with obvious chilling effects on technological development.

Instead of limiting the scope of the right of reproduction internally, the EU legislator decided to still cover all temporary reproductions under Article 2 InfoSoc, and to provide a specific exception for transient or incidental reproductions which are an integral and essential part of a technological process, having the only purpose of enabling the lawful use of a work or other subject matter,[57] or its transmission in a network between third parties and an intermediary, and having no independent economic significance.[58] This decision subordinates the application of the provision to the three-step test (Article 5(5) InfoSoc), thus increasing the relevance of the economic impact of the reproduction on the normal exploitation of the work to decide on its admissibility.

Article 5(1) is the only mandatory exception provided by the InfoSoc Directive. It does not apply to software programs and databases, the lawful uses of which are already regulated by the respective directives. Its scope is limited to temporary reproductions which should be either transient, that is of particularly short duration, or incidental, that is contextual and linked to another principal use, and with no independent meaning. Reproductions should also be inseverable from the technological process they are part of, and be essential to carry it out successfully.[59] Common examples, also mentioned in Recital 33 InfoSoc, are caching and reproductions that enable the act of browsing or other transmission systems to work efficiently.[60] The directive further restricts the scope of the exception by limiting it to acts that have the sole purpose of realizing an internet transmission by an intermediary, or the lawful use of a work, that is – as clarified by Recital 33 InfoSoc – where the use "is authorized by the right holder or not restricted by law". Recital 33 InfoSoc also specifies that intermediaries should not modify the information transmitted nor interfere with the lawful use of technology, and that they remained privileged even if the information conveyed is unlawful.[61] The presence of any additional goal for the reproduction, even if collateral, excludes the application of the exception.

---

from the WCT and WPPT. For a detailed analysis of the negotiation process and the draft texts, see Jorge Reinbothe, Silke von Lewinski, *The WIPO Treaties on Copyright* (2nd ed, OUP 2015), esp Annex to Art 1(4) WCT, Nos 9-13.

57 The term refers to all the matters covered by Article 2 InfoSoc, i.e., works, fixed performances, original and copies of films, phonograms, and fixation of broadcasts. See Walter-von Lewinski (n 3) 1026.

58 The decision was in line with the position adopted by the EU delegation at the WIPO Diplomatic Conference 1996. Not all Member States immediately followed this approach, though. See, e.g., Article 13a of the Dutch Copyright Act, which implements Article 5(1) InfoSoc in the context of the definition of the reproduction right instead that as an exception. See Lucie Guibault, Guido Westkamp, Thomas Rieber-Mohn, 'Study on the Implementation and Effect in Member States' Laws of Directive 2001/29/EC on the Harmonisation of Certain Aspects of Copyright and Related Rights in the Information Society', Report to the European Commission, February 2007, 349–350.

59 Recital 33 refers to "acts (…) which enable transmission systems to function efficiently".

60 As also specified by Recital 33 InfoSoc. For a comment on the requirements set by Article 5(1) InfoSoc and their national implementations see Guibault et al (n 57), 32–33.

61 It should be noted that the exception provided by Article 5(1) InfoSoc refers only to acts of reproduction made by intermediaries, while any other matter regarding their liability remains regulated by the E-Commerce Directive (Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, [2000] OJ L178/1, Articles 12–14)

Every requirement, in fact, points to the accessory function of the reproduction as the most characterizing element to distinguish exempted from forbidden acts. Their definitions, however, are quite concise and generally left in haze. In light of the substantial impact of temporary reproductions on the degree of rightholder's control over the work and on basic technological processes, it comes as no surprise that the uncertainties surrounding the scope of Article 5(1) InfoSoc has triggered a wide array of CJEU rulings in recent times.[62]

Another area which has heavily engaged the Court is the definition of the scope of Article 5(2)(b) InfoSoc, introducing the non-mandatory private copying exception, and particularly the notion of fair compensation. The need to harmonize the provision was highlighted as a policy priority by key preparatory documents,[63] and finally materialized in the InfoSoc Directive. Article 5(2)(b) applies to any medium,[64] analogue or digital,[65] and covers all reproductions that are made by a natural person for non-commercial purposes. In this sense, it partially overlaps with the reprography exception of Article 5(2)(a), which covers reproductions on paper or similar analogue medium,[66] but its application prevails as *lex specialis*.[67] The definition of private use is more restrictive and less encompassing than the notion "personal use" provided by some national exceptions,[68] since it is limited to strictly private activities, thus excluding other personal uses having professional or commercial nuances. At the same time, the obligation to provide a fair compensation excludes the discretion of Member States with regard to the gratuitous or onerous nature of the exception, while Recital 35 InfoSoc still offers some room for national legislators to decide on the categories of rightholders which could benefit from such schemes. Member States have also broad discretion in defining the establishment, management, enforcement, distribution of fair compensation schemes and the amount of compensation due, as long as the factors enshrined in Recital 35 InfoSoc are taken into account. The reference goes to the particular circumstances of the case, the "possible harm to the rightholders resulting from the act in question", the fact that rightholders have already received a payment or if the prejudice would be minimal, and the degree of use of technological measures used, the latter being also mentioned in the text of the provision.[69] While most of the criteria have been easily embedded into national legislations, others

62 See infra, ????

63 Abundantly in Green Paper Copyright and Related Rights in the Information Society (n 2) 51. The need to harmonize national levy systems within the Single Market was also emphasized recently by the Vitorino Report, requested by Commissioner Barnier and presented in 2013. After months of stakeholders' dialogue, Vitorino formulated articulated recommendations to reconcile current levy systems with the free movement of goods and services. None of them were included in the Digital Single Market reform.

64 The original proposal was limited to audio, visual and audiovisual recording media to distinguish the provision from Article 5(2)(a), as testified by the text or Recital 38, which still presents that limitation, later eliminated from the cogent text of the Directive.

65 As suggested by the interplay between Article 5(2)(a) and (b) InfoSoc. See Stefan Bechtold, in Thomas Drier, Bernt Hugenholtz (eds) *Concise European Copyright Law* (OUP 2006) 375.

66 On this matter see von Lewinski-Walter (n 7) 1029–1030.

67 Ibid., 1032, noting how the conditions in Article 5(2)(b) are more restrictive and that it would not be appropriate to regulate exceptions for private copying differently depending on the medium involved.

68 It may be questioned, in fact, whether such national exceptions are compliant with EU law. See, e.g., §53(2) of the German Copyright Act, which covers also scientific uses, building of personal archives, collection of personal information concerning daily news etc.

69 See, however, the decision of the High Court of England and Wales in BASCA v The Secretary of State for Business, Innovation and Skills, [2015] EWHC 1723, which intervened to censure the discretion exercised by the UK government in excluding the payment of fair compensation on the basis of the fact that (i) the private copying exception was so narrowly designed that it caused only a minimal harm to rightholders (Recital 35 InfoSoc) and (ii) levies would be "inefficient, bureaucratic and unfair, and disadvantage people who pay for

have been heavily criticized as alien to the continental tradition, the most paradigmatic case being that of the notion of "harm" and its clash with the remuneration right used in civil law countries, for which actual damages to rightholders' interests are irrelevant.[70]

The large discretion left to Member States triggered a flow of cases before the CJEU, which had the opportunity to build an entire doctrine on the notion of "fair" under Article 5(2)(b). Also the EU Commission perceived the negative impact of the pitfalls created by the fragmentation of national solutions, running several consultation with stakeholders, and focusing amply on the matter in the Public Consultation on the Modernization of EU copyright rules.[71] Yet, no intervention on the provision seems to be in the pipeline for the next future, overcome by more pressing reform goals.[72]

Article 5(2) InfoSoc includes a long list of optional exceptions to the right of reproduction, introduced unevenly by Member States. More recently, the Orphan Works Directive and the Marrakesh Directive have complemented the wide menu with two mandatory exceptions for the purpose of, respectively, allowing the digitization of works with no known author by cultural heritage institutions, and the production of works in accessible format for visually disabled individuals.[73] In the very last Directive on Copyright in the Digital Single Market (CDSMD), the EU legislator has again provided for three new mandatory exceptions (also) on the right of reproduction, oriented to facilitate text and data mining for scientific purposes, online teaching activities and digitization directed to the preservation of collections.[74] Along the same line of simplification and smoothening of national divergences, Article 16 CDSMD has clarified that the transfer or license of the right of reproduction to a publisher constitutes sufficient legal basis for the latter to be entitled to a share of the fair compensation due to the author under an exception or limitation, thus superseding the CJEU decision in *Reprobel*, which reached the opposite conclusion under Article 5(2)(b) InfoSoc.[75] It would go beyond the scope of this chapter to analyze these interventions in detail. Suffice it here to note that their patchwork introduction in time and across Member States have caused the right of reproduction to have an uneven, fragmented scope across the Union. The CJEU has

content". In fact, the High Court did not exclude the possibility for the legislator to cross out levies, but required stronger evidence to support the choice. Brexit has now excluded the possibility to have the question solved by the CJEU. See Thomas Dillon, 'Evidence, policy and 'evidence for policy'' (2016) 11(2) JIPLP 92.

70 Likewise Silke von Lewinski, 'Stakeholder Consultation on Copyright Levies in a Converging World – Answers of the Max-Planck-Institut' (2007) 38 IIC 65, 66.

71 The document, not available anymore on the website of the Commission, could be retrieved at https://wiki.wikimedia.it/images/7/74/Consultazione_europea_sul_diritto_d%27autore.pdf (last accessed 5 July 2020).

72 As of today, "the Commission is currently not planning any action with respect to private copying levies. However, the Commission will continue the dialogue with all stakeholders". See Answer given by Mr Breton on behalf of the European Commission to Question for written answer E-002342/20 to the Commission Henna Virkkunen, 20 July 2020, https://www.europarl.europa.eu/RegData/questions/reponses_qe/2020/002342/P9_RE(2020)002342_EN.pdf (last accessed 26 July 2020).

73 Directive 2012/28/EU of 25 October 2012 on certain permitted uses of orphan works [2012] OJ L299/5; Directive (EU) 2017/1564 of the European Parliament and of the Council of 13 September 2017 on certain permitted uses of certain works and other subject matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print-disabled [2017] OJ L 242/6.

74 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC [2019] OJ L 130/125 [CDSMD], Arts 3–5.

75 In Case C-572/13 *Hewlett-Packard Belgium SPRL v Reprobel SCRL* [2015] EU:C:2015:750, para 49, the CJEU ruled that Article 5(2)(a) and Article 5(2)(b) InfoSoc precluded national legislations to allocate a part of the fair compensation payable to rightholders to publishers, particularly where publishers were under no obligation to ensure that authors benefitted, even indirectly, from some of the compensation of which they have been deprived.

started to smoothen the most evident divergences with its harmonizing intervention, and the mandatory nature of the most recent exceptions introduced by the EU legislator suggests that the path toward a more harmonized framework has finally been open. Yet, the road ahead is still, and inevitably so, very long.

CJEU case law

General principles and definitions

The number of CJEU decisions intervening to clarify the general definition of the right of reproduction under Article 2 InfoSoc is relatively limited. Part of them focus on the characteristics of the entitlement, while a large number of cases use the reference to Article 2 InfoSoc as a tool to construct the notion of protected work in EU copyright law (see the discussion in Chapter 4), which misses in the InfoSoc Directive but present, instead, in sector-specific acts such as the Software and Database Directive.

Infopaq[76] is the first decision that elaborates on the main features of Article 2 InfoSoc, qualifying the right of reproduction, as any other right protected by the InfoSoc Directive, as an autonomous concept of EU law, which should be given a uniform and broad interpretation in line with Recital 9. Seven years had to pass, instead, until the Court could finally articulate its interpretation of Article 2 in more detail in *Soulier and Doke*.[77]

The case concerned the legitimacy of the French Intellectual Property Code provisions introducing a mandatory collective licensing scheme for out-of-commerce works. The scheme attributed to approved collecting society the right to authorize the reproduction and communication in digital form of out-of-print books matching certain requirements, while allowing authors and their successors in title to oppose under specific conditions the practice. The CJEU ruled that the features of the mechanism envisioned by the French legislator were incompatible with the protection requested by Articles 2 and 3 InfoSoc, and took the opportunity to specify that the high level of protection to be granted to the right of reproduction (and the right of communication to the public, on which see the discussion in Chapter 9) is not limited to their static enjoyment but covers also their exercise.[78] Both rights were defined as "preventive in nature, in the sense that any reproduction or communication to the public of a work by a third party requires the prior consent of its author".[79] The decision gave key relevance to the notion of prior consent as fundamental aspect of copyright protection, and referred it only to authors,[80] with national legislators being free to grant certain rights or benefits to other parties provided that no harm is caused to the rights attributed by the

76 *Infopaq*, paras 27–29.

77 Case C-301/15, *Marc Soulier and Sara Doke v Premier ministre and Ministre de la Culture et de la Communication* [2016] EU:C:2016:878.

78 ibid para 31. According to the Court, the interpretation would be backed by Article 5(2) of the Berne Convention (para 32), which is binding on the Union and requires that the enjoyment and the exercise of the rights of reproduction and communication to the public may not be subject to any formality.

79 The principle was already affirmed, albeit more implicitly, in *Infopaq*, paras 57 and 74; Joined Cases C-403/08 *Football Association Premier League Ltd and Others v QC Leisure and Others* and C-429/08 *Karen Murphy v Media Protection Services Ltd* (FAPL) [2011] EU:C:2011:631, para 162.

80 *Soulier and Doke*, para 47 ("the authors are the only persons to whom that directive gives, by way of original grant, the right to exploit their works"). See also case C-277/10, *Martin Luksan v Petrus van der Let* [2012] EU:C:2012:65, para 53.

Directive.[81] However, the Court admitted that the two provisions do not specify the way how such consent must be expressed, making it possible to admit an implicit consent to the extent this choice allows ensuring a high level of protection to rightholders (Recital 9 InfoSoc),[82] and does not impose any formality contrary to the Berne Convention.[83] The same reasoning recurs in other decisions like *Renckhoff*,[84] *Reha Training*,[85] *Stichting Brein*,[86] albeit with reference to the sole Article 3 InfoSoc.

More recently, the trio issued by the Grand Chamber in July 2019 (*Funke Medien,*[87] *Pelham*[88] and *Spiegel Online*[89]), renowned for their landmark contribution to the definition of the role of fundamental rights in EU copyright law (on which see the discussion in Chapters 2 and 14), contributed to the definition of the scope of the right of reproduction under Article 2 InfoSoc, addressing the problem from the perspective of the discretion left to Member States. *Pelham* and *Funke Medien* defined the provision as a measure of full harmonization, for it "is not qualified by any condition, nor is it subject, in its implementation or effects, to any measure being taken in any particular form".[90] This clarified that only the EU legislator and the CJEU are competent to define scope, content and structure of the right of reproduction, reinforcing the definition of reproduction as autonomous concept of EU law inaugurated in 2009.

Article 2 InfoSoc has been used as the main point of reference for the Court to define the general notion of protected work, absent an explicit legislative harmonization. The debut of the doctrine is marked by *Infopaq* (2009), where the Court was asked, *inter alia*, to determine whether the concept of "reproduction in part" under Article 2 InfoSoc covered also the storing and printing of an excerpt consisting of 11 words. Observing that the InfoSoc Directive does not define the concepts of reproduction and reproduction in part, the CJEU decided to derive them from the wording and context of Article 2 InfoSoc and in light of the objectives of the Directive and international law.[91] Since the provision makes it clear that the right of reproduction covers "work",[92] the decision started from building the latter notion on the basis of a contextual interpretation of the Berne Convention and the Database and Software Directives, identifying it in every piece that is original in the sense that it is its author's own intellectual creation.[93]

Along the same lines, in *FAPL* the Court was asked to determine whether Article 2(a) InfoSoc may cover the creation of transient sequential fragments of the work within the memory of a satellite decoder and on a television screen, and whether the judicial assessment should concern all the fragments as a whole or only those which exist at a given moment. Ruling once again that "reproduction" should be understood as an autonomous concept of EU law,[94] the CJEU recalled the principle expressed in *Infopaq*, concluding that "the unit composed of the fragments reproduced simultaneously – and therefore existing at a given

81 *Soulier and Doke*, para 48. See also *Reprobel*, paras 47–49.
82 *Soulier and Doke*, para 37.
83 Ibid., para 50.
84 Case C-161/17, *Land Nordrhein-Westfalen v Dirk Renckhoff* [2018] EU:C:2018:634, para 29.
85 Case C-117/15, *Reha Training v GEMA* [2016] EU:C:2016:379, para 30.
86 Case C-610/15, *Stichting Brein v Ziggo BV and XS4All Internet BV* [2017] EU:C:2017:456, para 20.
87 Case C-469/17 *Funke Medien NRW GmbH v Bundesrepublik Deutschland* [2019] EU:C:2019:623.
88 (n 54).
89 Case C-516/17 *Spiegel Online GmbH v Volker Beck* [2019] EU:C:2019:625.
90 *Pelham*, paras 84–85; *Funke Medien*, para 87.
91 *Infopaq*, paras 31–32.
92 Ibid., para 33.
93 Ibid., paras 34–35.
94 *FAPL*, para 154.

moment" should be examined together in order to verify whether elements that are the expression of the author's own intellectual creation.[95]

Several cases returned to the point in the following years. *Painer* did it with regard to photographs, specifying that they constitute an intellectual creation if the author may express their creative abilities in their production by making free and creative choices, impressing a sort of "personal touch".[96] The Court adopted the same principle to rule out the protectability of graphic user interfaces and, more generally, of those parts of the computer program or the preparatory design that are not capable of leading to the reproduction or creation of such programs (*BSA*[97]). This is also the case of the functionality of a software or the programming language and the format of data files used in order to exploit certain functions (*SAS Institute*).[98]

Subsequent decisions moved away from the extreme genericity of the notion of originality derived from the provision on the reproduction right, looking at the Berne Convention to integrate the definition of protected works under Article 2 InfoSoc with an additional criterion, which is that of representing an "expression" of the author's intellectual creation.[99] For the Court, this means that the work should be expressed in a manner that makes it identifiable with sufficient precision and objectivity, even if only in a transient form.[100] The expression is necessary to define with legal certainty the subject-matter protected, both *vis-à-vis* public authorities and private individuals, users or competitors.[101] Very recently, *Cofemel* (on which see in particular, the discussion in Chapter 5) followed suit, reiterating all the principles expressed in the previous case law and excluding that, in the field of design, the generation of a specific aesthetically significant visual effect is enough to create originality and thus to trigger copyright protection alongside the protection conferred by design rights.[102] In *Brompton*, ruling on the protectability of the features of a foldable bicycle, the Court clarified that originality may subsist also if its realization has been dictated by technical considerations, insofar as this has not prevented the author from expressing free and creative choices in devising the shape.[103] Compared to the relative silence on the side of general definitions and the fragmented, unclear construction of the notion of protected work, the CJEU contributed much more effectively to the delineation of the scope of the reproduction right with other interventions, chiefly in the field of temporary, transient and partial reproductions.

Temporary reproduction and related exception(s)

The notion of temporary reproduction under Article 2 InfoSoc has not been spelled out directly, but may be derived indirectly from the Court's construction of the scope of the mandatory exception of transient reproduction under Article 5(1) InfoSoc. The Court had the opportunity to intervene for the first time on the matter in *Infopaq*, where it had been called to decide whether the temporary reproduction necessary in a data capture process met the

95 Ibid., 155–156.
96 Case C-145/10 *Eva-Maria Painer v Standard Verlags GmbH and Others* [2011] EU:C:2011:798, paras 88–90.
97 Case C-393/09 *Bezpečnostní softwarová asociace - Svaz softwarové ochrany v Ministerstvo kultury* [2010] EU:C:2010:816.
98 Case C-406/10 *SAS Institute v World Programming Ltd* [2012] EU:C:2012:259.
99 Case C-310/17 *Levola Hengelo BV v Smilde Foods BV* [2018] EU:C.2018:899, para 37.
100 Ibid., para 40.
101 Ibid., para 41.
102 Case C-683/17 *Cofemel – Sociedade de Vestuário SA v G-Star Raw CV* [2019] EU:C:2019:721, para 54.
103 Case C-833/19 *SI and Brompton Bicycle Ltd v Chedech / Get2Get* (2020) EU:C:2020:461, para 26.

requirements set by Article 5(1) InfoSoc. After listing the five conditions,[104] the CJEU underlined how they should be understood as cumulative[105] and should be read strictly,[106] particularly in light of the three-step test (on which see the discussion in Chapter 17) and in accordance with recitals 4, 6 and 21 InfoSoc, which require legal certainty for rightholders on the protection of their works.[107] Pursuant to these principles, the CJEU stated that the temporary acts of reproduction is "transient" if it does not exceed what is necessary to the completion of the technological process,[108] and maintained that objectives of legal certainty require the storage and deletion of the copy not to depend on human intervention, as confirmed by Recital 33, which refers to "automatic processes" such as acts enabling browsing and caching.[109]

Two years later, the Court elaborated more on Article 5(1) InfoSoc in *Football Association Premier League* (*FAPL*),[110] dealing with the alleged infringement committed by suppliers of equipment and satellite decoder cards that enable the reception of Premier League programs transmitted by foreign broadcasters, in violation of the exclusivity of the rights granted by *FAPL* in a given territory to specific distributors. First, the CJEU clarified that, for a finding of infringement, it is irrelevant whether the reproduction is stable or it has an ephemeral existence. In this way, it suggested that the notion of temporary reproduction covers also very short fragments, stopping just before the borders of the exception laid down by Article 5(1) InfoSoc.[111] Then, asked whether acts of reproduction performed within the memory of a satellite decoder and on a television screen fulfilled the conditions set by Article 5(1) InfoSoc, the CJEU listed the five requirements identified by the provision, ruled that they need to be interpreted strictly but still in a manner that enable the effectiveness of the exception to be safeguarded and its purpose to be fulfilled,[112] and analyzed the compliance of the conduct at stake with each of them, devoting more attention to the fourth and fifth conditions. As to the lawfulness of the use enabled by the temporary reproduction, the Court verified whether the picking up of the broadcast and their visual display in private circles[113] were not acts restricted by the EU or national legislations.[114] With regard to the lack of independent economic significance of the act of reproduction, the CJEU underlined that, in order not to make the provision redundant, the "significance" should be independent "in the sense that it goes beyond the economic advantage" derived from the use that the reproduction itself enabled.[115] This suggests a normative rather than technical approach to the notion of temporary reproduction, which does not submit to the rightholder's control acts which do not impact on her economic interest and, therefore, do no need to be covered by exclusivity for copyright to perform its essential function to ensure that rightholders receive an appropriate remuneration from the exploitation of their works.

104 *Infopaq*, para 54.
105 Ibid., para 55.
106 Ibid., para 56.
107 Ibid., para 58–59.
108 Ibid., para 61.
109 Ibid., paras 62–63.
110 Ibid., para 66.
111 *FAPL* (n 76).
112 Ibid., paras 162–163.
113 Ibid., para 170.
114 Ibid., para 171.
115 Ibid., paras 172–175.

The Court had the opportunity to broaden the analysis of the notion of temporary reproduction and of the scope of Article 5(1) InfoSoc in *Infopaq II*[116] and *Meltwater.*[117]

Infopaq II added further specifications and made a slight step forward compared to *FAPL*. It specified that being "an integral and essential part of a technological process" requires the act of reproduction to be carried out entirely within the process itself, being it irrelevant at which stage it take place.[118] At the same time, however, it overruled its precedent, admitting that the technological process may involve a human intervention, and particularly a manual activation, without prejudicing the transient nature of the reproduction.[119] As to the independent economic significance, the CJEU clarified that the efficiency gains deriving from the implementation of the reproduction should not be taken into account, for they materialize only during the use of the reproduced subject matter within the technological process, thus being not distinguishable from the advantages derived from the latter.[120] On the contrary, the temporary reproduction would have an independent economic significance if it could facilitate a different use of the subject matter reproduced, or if the temporary reproduction could be independently exploited.[121] In line with the normative approach, the CJEU also concluded that, when a conduct meets the requirements indicated by Article 5(1) InfoSoc, then it can be presumed that it does not conflict with the three-step test, and particularly with the condition of the exception not conflicting with the normal exploitation of the work.[122]

In *Meltwater* a company providing to its customers reports on press articles published on the internet was sued by NLA, an entity managing collective licenses on UK newspaper content, which argued that the license obtained by Meltwater to extract and re-use the articles was not enough, since also the online receipt of the reports by Meltwater's customers required the rightholders' authorization. The question was whether the on-screen copies and the cache copies generated by users when viewing the website constituted a transient reproduction covered by Article 5(1) InfoSoc.

Confirming *Infopaq II*, the Court stated that the reproduction and its deletion may be considered transient if the processes are activated by the user,[123] and that it is enough for the copy to last until the termination of the process in order to remain within the scope of Article 5(1) InfoSoc.[124] Similarly, the "incidental" nature of the copy is confirmed by their automatic deletion in the case of on-screen copies, it being irrelevant that this happens only when the end-user closes the browser.[125] In the case of cache copies, which are retained on the user's hard disk for subsequent visualizations of the same website, the CJEU confirmed their incidental nature *vis-a-vis* the technological process, excluding the need for them to be also transient in order to apply Article 5(1) InfoSoc,[126] for "transient" and "incidental" are alternative and not cumulative requirements. The conclusion was further reinforced by the teleological consideration of the fundamental role played by cached copies to facilitate

116 Order in case C-302/10 *Infopaq International A/S v Danske Dagblades Forening* [2012] EU:C:2012:16.
117 Case C-360/13 *Public Relations Consultants Association Ltd v Newspaper Licensing Agency Ltd and Others* (Meltwater) [2014] EU:C:2014:1195.
118 *Infopaq II*, paras 30–31.
119 Ibid., paras 32, 36.
120 Ibid., para 51.
121 Ibid., paras 52–53.
122 Ibid., para 55.
123 *Meltwater*, paras 30, 41.
124 Ibid., para 42.
125 Ibid., paras 44–45.
126 Ibid., para 48.

browsing, and of the fact that without them "the internet would be unable to cope with the current volumes of data transmitted online".[127]

Meltwater also contributed to the understanding of the effects of the three-step test on the application of Article 5(1) InfoSoc. The Court found that the legitimate interests of rightholders were duly protected since publishers of the websites already obtained a proper authorization from copyright holders to communicate to the public their content.[128] Thus, there was no justification for requiring internet users to obtain another authorization for a transient reproduction that was essential for them to enjoy the very same communication.[129] The normal exploitation of the works was not compromised either, for the copies were incidental to the technological process necessary for viewing the websites, which represented the very normal exploitation of such works once they were communicated to the public upon the authorization of rightholders.[130] Once again, the normative approach to the notion of temporary reproduction prevailed in the interpretation of the Court, thanks to the functional and economic analysis suggested by Article 5(1) and (5) InfoSoc.

Recently, in the *Filmspeler* case,[131] the CJEU reiterated that the conditions of Article 5(1) InfoSoc are cumulative and to be interpreted strictly, particularly in light of the three-step test,[132] and it focused again on the notion of lawful use, adding the need to assess also this requirement against Article 5(5) InfoSoc.[133] On this basis, the Court derived the unlawfulness of the temporary reproduction not from formal EU or national rules, but from the adverse impact of the temporary acts of reproduction on the normal exploitation of the work and the unreasonable prejudice to the legitimate interest of the rightholder.[134]

Partial reproduction

The leading precedent defining the boundaries of the notion of "reproduction in part" is, again, *Infopaq*. Here, the Court concluded that nothing in the InfoSoc Directive or in any other relevant copyright-related directive suggests that parts of a work should be treated differently than the work as a whole.[135] This implies that any fragment may be protected if it contains "elements which are the expression of the intellectual creation of the author of the work".[136] On the basis of the principles of high level of protection (Recital 9 InfoSoc) and broad interpretation (Recital 21 InfoSoc) of exclusive rights, also isolated sentences or parts thereof may be protected by the exclusivity granted by the right of reproduction if they may be "suitable for conveying to the reader the originality" of the work they are extracted from,[137] no matter how short. The notion of partial reproduction construed by the Court is thus of a qualitative and

127 Ibid., para 35.
128 Ibid., para 57.
129 Ibid., para 59.
130 Ibid., para 61.
131 Case C-527/15 *Stichting Brein v Jack Frederik Wullems* [2017] EU:C:2017:300.
132 Ibid., paras 61–63.
133 Ibid., para 66. The conclusion is fully in line with Case C-435/12 *ACI Adam and Others v Stichting de Thuiskopie* [2014] EU:C:2014:254, paras 26 et seq, where the Court underlined the need to assess the actual impact of the exception under Article 5(2)(b) through the lens of the three-step test, excluding on this basis that a private levy system for the collection of the fair compensation due to authors in case of private copying could apply also to reproductions made from unlawful sources.
134 Ibid., paras 69–70.
135 *Infopaq*, para 38.
136 Ibid., para 40.
137 Ibid., para 47.

not of a quantitative nature. The same approach characterizes the field of software program. In *SAS Institute*, the CJEU ruled that the extraction of part of the source or object code to create similar elements of a software in another one constitutes partial reproduction under Article 4(a) Software I, while the mere reproduction of the functionality of the program by using the same programming language and the same format of data files, without decompilation or access to the source code, does not infringe any exclusive right.[138]

It took much longer for the Court to finally intervene on the long debate on the meaning of "partial reproduction" in the field of related rights, particularly heated due to the threshold requested for the protection of entrepreneurial rights against the higher standards set for authors' rights.[139] *Pelham* seemed to provide a final and stable response, focusing on the most controversial topic discussed by scholars and courts – that of music sampling. The controversial reproduction concerned the use of 2 seconds of a rhythm sequence from the song "Metall auf Metall", authored by the group Kraftwerk in 1977, in Pelham's song "Nur mir", released in 1997. The main claim was centered on the infringement of the reproduction right of the phonogram producer under Article 2(c) InfoSoc, and the question raised to the CJEU was whether the copy of such a short sound sample could amount to a "reproduction in part".

The Court ruled that a literal interpretation of Article 2(c) InfoSoc militates in favor of a coverage of any sound sample of a phonogram, even if very short.[140] This reading was also deemed consistent with the general InfoSoc goals of establishing a high level of protection of copyright and related rights, and with the specific objective of protecting the phonogram producer's investment, by allowing her to obtain a satisfactory return.[141] However, the CJEU found necessary to define the scope of the reproduction right also in light of the fair balance to be struck between, on the one hand, copyright and related rights and, on the other hand, the fundamental rights of users and the public interest.[142] Since sampling is a technique used to produce new works and thus to exercise the freedom of the arts, enshrined in Article 13 of the Charter of Fundamental Rights of the European Union[143] (CFREU) and covered also by Article 11 CFREU on freedom of expression,[144] the protection of its exercise should be weighed against the protection of intellectual property under Article 17(2) CFREU which – the CJEU reiterated – by no means attributes an absolute nature to IP rights[145] (on the interplay between copyright and other fundamental rights, see also the general discussion in

138 *SAS Institute*, paras 42–43.

139 As in European Copyright Society, Opinion in relation to the pending reference before the CJEU in Cofemel v G-Star, C-683/17, available at https://europeancopyrightsocietydotorg.files.wordpress.com/2018/11/ecs-opinion-cofemel_final_signed.pdf, accessed 26 July 2020, and ID., Opinion in relation to the pending reference before the CJEU in Case C-833/18, Brompton Bicycle v Chedech / Get2Get ("Brompton" case), 8–9, available at https://europeancopyrightsocietydotorg.files.wordpress.com/2019/12/ecs-opinion-brompton-final-12-12-2019-final-3.pdf, accessed 26 July 2020. But *contra*, analyzing the CJEU case law from *Infopaq* on, see Eleonora Rosati, *Copyright and the Court of Justice of the European Union* (OUP 2019) 88–93; see also Tatiana E Synodinou, 'The Foundations of the Concept of Work in European Copyright Law', in Tatiana E. Synodinou (ed), *Codification of European Copyright Law. Challenges and Perspectives* (Kluwer, 2012), 99 and Tito Rendas, 'Copyright Protection of Designs in the EU: How Many Originality Standards is Too Many?' (2018) 13(6) JIPLP 439, 442.

140 *Pelham*, para 29.

141 Ibid., para 30.

142 Ibid., para 32, in line with *Renckhoff*, para 61.

143 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, pp. 391–407.

144 *Pelham*, paras 34–35.

145 Ibid., para 33, as already recognized in Case C-70/10 *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL* (SABAM) [2011] EU:C:2011:771, para 41; Case C-360/10 *Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v Netlog NV* [2012] EU:C:2012:85, para 41; Case C-314/12

Chapter 2). On this basis, the Court ruled that "a sample taken from a phonogram and used in a new work in a modified form unrecognizable to the ear for the purposes of a distinct artistic creation" could not be covered by Article 2(c) InfoSoc, as this would not only run counter to the usual meaning of the word "reproduction" and to the case law in the field, but also to the requirement of a fair balance.[146] The CJEU maintained, in fact, that preventing sampling even if the reproduction would not interfere with the producer's possibility to realize a satisfactory return on investment would constitute a disproportionate violation of freedom of the arts.[147] For the first time, the Court defined the scope of exclusive rights using the notion of fair balance between conflicting fundamental rights, which until this point had come into play only in the field of exceptions and intermediary injunctions.[148]

Format shifting: reproduction or adaptation?

Beyond the strict letter of Article 2 InfoSoc and its interpretation, an interesting intervention on the right of reproduction comes from *Art & Allposters*.[149] Allposters marketed on its website posters and other reproductions of paintings protected by copyright, all lawfully acquired on the market. While it was uncontested that posters on which the right of distribution under Article 4(2) InfoSoc was exhausted after their first lawful sale in the EU could be resold on the platform, it was unclear whether the same could be done with their reproductions, realized by Allposters on canvas, wood and other materials. The question raised to the Court was whether the alteration of the medium and commercialization of the work in a new form could still allow the application of Article 4(2) InfoSoc or constituted, instead, copyright infringement.

The first problem the CJEU had to face was the qualification of the conduct as a reproduction or an adaptation of protected works. In the latter case, the Court would have needed to declare its lack of competence, for the adaptation right is not generally harmonized by EU law.[150] To circumvent the obstacle, the Luxembourg judges pointed to the fact that both posters and canvas transfers contained the image of a protected artistic work, and for this reason they all fell under the scope of the right of distribution (Article 4(1) InfoSoc). Since Article 4(2) InfoSoc refers to the first sale of "that object", and Recital 28 InfoSoc to "the work incorporated in a tangible article", the Court concluded that the intention of the EU legislator was to give authors control over the initial market of each tangible object embodying their intellectual creation.[151] This implies that exhaustion (on which see the discussion in Chapter 8) applies only to the very same copy placed onto the market with the rightholder's consent, and not to subsequent alterations to its physical medium. Such an alteration, even if it slightly modifies the original by increasing the durability and quality of the image in comparison with the poster, is classified as a new reproduction covered by Article 2(a) InfoSoc.[152] Answering to Allposters' objection that there was no multiplication of copies and

UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH [2014] EU:C:2014:192, para 61.

146 *Pelham*, para 37.

147 Ibid., para 38.

148 As I already had the opportunity to note in Caterina Sganga, 'A Decade of Fair Balance, and How to Fix It. Copyright versus Fundamental Rights before the CJEU from Promusicae to Funke Medien, Pelham and Spiegel Online' (2019) 11 EIPR 683.

149 Case C-419/13 *Art & Allposters International BV v Stichting Pictoright* [2015] EU:C:2015:27.

150 Ibid., para 24.

151 Ibid., para 37.

152 Ibid., para 43.

thus no reproduction, since the image was transferred on canvas and no longer appeared on the poster, the CJEU ruled that the circumstance was immaterial, and that the alteration of the medium created a new copy, different than the one that was originally placed onto the market.[153] The conclusion was also justified by the need to offer a high level of protection to rightholders, allowing them to obtain an appropriate reward from the commercialization of their works,[154] where "appropriate" equals to "reasonable in relation to the economic value of the exploitation of the protected work".[155] Since the economic value of canvas transfers exceeds that of posters and constitutes an additional form of exploitation of the same protected work, the Court stated that it is coherent with the objectives of the Directive and with the rationale of Article 4(2) InfoSoc to exclude the application of exhaustion, in order to let rightholders retain control on such new markets.[156]

Compared to the relatively cautious approach adopted in the fields of temporary and partial reproduction, the goal of extending the boundaries of the EU harmonization to cover also the right of adaptation led the Court to stretch the borders of Article 2 InfoSoc to include also modifications of the original medium. This is in line with the practice of those Member States where the borders between reproduction and adaptation are not clearly drawn,[157] but departs from the general attitude the CJEU has developed through the years *vis-à-vis* the judicial development of concept, structure and scope of the reproduction right. The cautious attitude returns, instead, in the field of private copying, where the effort of the Court has been directed to circumscribe within clear boundaries the discretion left to Member States.

Private copying and fair remuneration

The area where the Court was the most prolific is undoubtedly that of the exception for private copying under Article 5(2)(b) InfoSoc. Without delving too much into details that would go beyond the scope and aim of this study, suffice is to note that the almost totality of the decisions focused on the notion of "fair" compensation – which is mandatory, contrary to the optional nature of exceptions[158] – and the compatibility of national schemes devised to compensate rightholders with the criteria set by Recitals 35 and 38 InfoSoc, the three-step test and the principle of effectiveness.[159] The CJEU attributes the right originally, and in an unwaivable format, to the rightholder affected in their reproduction right,[160] and requires that the persons ultimately obliged to correspond the compensation be the users of the work, in light of the damage they caused.[161] Since it is impossible to identify each private individual who makes a copy, national legislators are allowed to create levy systems that indirectly

153 Ibid., paras 44–45.

154 Ibid., para 47.

155 Ibid., para 48, recalling *FAPL*, paras 107–109.

156 Ibid.

157 Already before the issuance of the *Allposters* decision, the Commission seemed to believe that the CJEU case law in the field of reproduction and the broad language of Article 2 InfoSoc already covered adaptation, as indicated in the leaked draft summary of the responses to the public consultation on the modernization of EU copyright rules, still available here http://statewatch.org/news/2014/apr/eu-com-copyright-ia-draft.pdf (last accessed 16 July 2020).

158 As also noted by Mathias Leistner, 'Europe's Copyright Law Decade: Recent Case Law of the European Court of Justice and Policy Perspectives' (2014) 51 CMLR 586.

159 See, in this respect, Case C-467/08 *Padawan v SGAE* [2010] EU:C:2010:620, paras 39 et seq.; case C-462/09, *Stichting de Thuiskopie v Opus Supplies Deutschland GmbH et al* [2011] EU:C:2011:397, paras 33 et seq.

160 *Luksan*, paras 88, 96.

161 Ibid., para 97.

charge consumers by using levies on equipment, copying devices and media to be paid by producers, who will later pass the amount on to consumers by embedding it within the final price.[162] The harm is presumed, although a minimum link between levy and actual use is required, so much that the CJEU struck down systems where the levy was applied without distinction to all digital equipment, even when used not by natural persons,[163] or where fair compensation schemes were funded by the state budget.[164] With subsequent specifications, the Court added that the rightholder's consent to the reproduction should have no impact on the claim, and the same apply to the decision not to use technological protection measures.[165] Multifunctional media may be subject to levy even when their main function is not that to make copy.[166] Chain of devices could be subject to levies in proportion to their contribution to make the reproduction possible, provided that the overall amount of the compensation is not substantially different from the amount fixed in case of single device, to respect the principle of equal treatment.[167] At the same time, Member States may presume the private use of devices distributed to natural persons, but must provide for the possibility of reimbursement in case of commercial uses,[168] and cannot apply levies to copies obtained from unlawful sources.[169]

Other exceptions to the right of reproduction (Article 5(2) and (3) InfoSoc)

The case law on other exceptions to the right of reproduction under Article 5(2) and (3) InfoSoc is numerically less conspicuous, but still highly significant for the purpose of defining the scope of the entitlement.

Painer[170] intervened on Article 5(3)(e) InfoSoc, which authorizes reproductions "for the purposes of public security or to ensure the proper performance or reporting of administrative, parliamentary or judicial proceedings". The case, concerning the unauthorized publication of photographs realized by Ms Painer, which portrayed a girl abducted and later released, on a number of newspapers reporting on the event, clarified the scope of the exception with regard to the meaning of the concept of "public security". The CJEU noted that the InfoSoc provision is silent on the matter, thus leaving a broad discretion to Member States,[171] with the idea that each national legislator is best placed to define the requirements of public security "in the light of historical, legal, economic or social considerations specific to it".[172] Such discretion, however, should be exercised in compliance with EU law, and particularly with the principle of proportionality,[173] and it should not run against the principal purpose of the InfoSoc Directive, identified in the need to establish a high level of protection for rightholders.[174] National provisions should also comply with the three-step test[175] and need for

162 As in *Padawan*, para 46.
163 Ibid., paras 51, 54.
164 Case C-470/14 *EGEDA and Others v AMETIC* [2016] EU:C:2016:418.
165 Joined cases C-457-458-459-460/11 *VG Wort v Kyocera and Others* [2013] EU:C:2013:426, para 78.
166 Case C-463/12 *Copydan Båndkopi v Nokia Danmark* [2012] EU:C:2015:144.
167 *VG Wort*, para 79.
168 Ibid.
169 *ACI Adam*, paras 29 et seq.
170 (n 95).
171 *Painer*, para 101. See, similarly, *Stichting de Thuiskopie*, para 23.
172 *Painer*, para 102.
173 Ibid., paras 103–104.
174 Ibid., para 107.
175 Ibid., para 110.

legal certainty for authors with regard to the protection of their works,[176] and should follow the principle of strict interpretation of exceptions.[177] On this basis, the Court ruled that the media cannot decide alone whether a public interest goal justify the reproduction and/or communication to the public of a protected work, being this a prerogative of States and competent national authorities.[178] The judges also denied the possibility to use freedom of expression and freedom of the press to broaden the scope of the exception, maintaining that the goal of Article 5(3)(e) InfoSoc was not to strike a balance between Article 10 CFREU and copyright, but between copyright and public security.[179] On the contrary, *Painer* used the notion of fair balance between the right of reproduction and freedom of expression to exclude that the quotation exception of Article 5(3)(d) InfoSoc requires the quotes to be embedded within a protected work, since in the opinion of the Court this strict interpretation would have made it impossible for the provision to remain effective and fulfil its purpose.[180]

Two years later it was the turn of the parody exception (Article 5(3)(k) InfoSoc) in *Deckmyn*[181] (on parody, see the discussion in Chapter 16). The case concerned the possibility to define as a parody a drawing published on a calendar, which used in a mockery the main character of a 1961 comic book – "The Compulsive Benefactor" – to criticize the Mayor of Ghent. The CJEU ruled that parody is an autonomous notion of EU law,[182] which requires a uniform interpretation across the Union. To reinforce the full harmonization of the exception, the Court added that, since the application of Article 5(3)(k) InfoSoc should preserve the fair balance between copyright and freedom of expression,[183] national legislators cannot introduce any restrictive criteria to the provision, except for those deriving from the commonly known features of parody. With this move and the link between parody and freedom of exception, *Deckmyn* implicitly transformed Article 5(3)(k) into a mandatory exception, which Member States should implement unless they can prove that they could strike through other means the same fair balance between copyright and Article 11 CFREU in similar circumstances.[184]

Ulmer offered an articulated interpretation of Article 5(3)(n) InfoSoc, which introduces an exception to the rights of reproduction and communication to the public for the making available of protected works by libraries and other cultural establishments on dedicated terminals, for the purpose of research or private study, provided that such works are contained in their collections and are not subject to purchase or licensing terms.[185] Looking at the provision's goal to facilitate the fulfilment of the core mission of publicly accessible libraries, which is to advance the public interest in promoting research and private study through the dissemination of knowledge,[186] the CJEU excluded that the rightholder's offer to conclude a licensing agreement could be sufficient to rule out the application of Article 5(3)(n), requiring instead an existing contractual relation.[187] A stricter condition – the Court ruled – would

176 Ibid., para 108.
177 Ibid., para 109.
178 Ibid., para 111–113.
179 Ibid., paras 114–115.
180 Ibid., paras 132–133.
181 Case C-201/13 *Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others* [2014] EU:C:2014:2132.
182 Ibid., para 15.
183 Ibid., para 25.
184 See European Copyright Society, 'Opinion on the Judgment of the CJEU in Case C-201/13 *Deckmyn*' [2015] 37(3) EIPR 127, 130.
185 Case C-117/13 *Technische Universität Darmstadt v Eugen Ulmer KG* [2014] EU:C:2014:2196.
186 Ibid., para 27.
187 Ibid., para 30.

have subordinated the exception to the unilateral and discretionary action of the copyright owner,[188] running counter to the fair balance between the rights and interests of rightholders and users[189] and depriving the provision of any effectiveness, save for its application to rare and economically less significant works.[190] According to the same principle, and in order to ensure the fulfilment of the purpose of the exception, the CJEU offered an extensive interpretation of the provision, stretching its scope to cover also acts of reproduction necessary for the library to digitize their collections in order to make them available to their patrons on dedicated terminals.[191] However, only reproductions under an ancillary right stemming from the combined provisions of Articles 5(2)(c) and 5(3)(n) InfoSoc could be permitted, with the exclusion of unnecessary acts of copying such as the printing or transfer on USB keys of digitized works by users.[192]

Recently, the Grand Chamber of the CJEU issued three of its most relevant interventions in the field of exceptions. *Funke Medien, Pelham* and *Spiegel Online* – rapporteur Ilesic – have introduced key principle for the entire spectrum of copyright exceptions and limitations, answering to the most controversial questions raised on the interplay between fundamental rights and copyright. At the same time, the three cases intervened – albeit more marginally – to specific exceptions to the right of reproduction, clarifying their meaning and scope.

On the side of general principles, the Court specified that, as opposed to exclusive rights, which are fully harmonized by the InfoSoc Directive,[193] Articles 5(2) and (3) InfoSoc, coupled with preparatory works, narrow down the discretion left to Member States in regulating exceptions, and make it dependent on the impact of their degree of harmonization on the smooth functioning of the internal market.[194] National legislators are limited by general principles of EU law (e.g., proportionality), by the conditions set by Article 5 InfoSoc, by the three-step-test, by the need to respect the goal of the directive and to safeguard the effectiveness, purpose and fair balance of the exception, and by the CFREU.[195] The CJEU also reinforced the validity of the *Melloni* doctrine in the field of copyright, reiterating that national authorities and courts may apply national standards of protection of fundamental rights only if this does not lower the protection offered by the CFREU and does not prejudice the primacy, unity and effectiveness of EU law.[196]

The core of the Grand Chamber trio resides in the definition of the interplay between copyright exceptions and fundamental rights, depicted as a spectrum of situations having different nuances. The Court excluded that fundamental rights could not be used to introduce new exceptions beyond the scope of Article 5 InfoSoc, in light of the exhaustive nature of the list provided therein, and the need apply exceptions consistently across the EU, in order to preserve legal certainty and the functioning of the internal market.[197] However, and

188 Ibid., para 28.

189 Ibid., para 31.

190 Ibid., para 32.

191 Ibid., para 43: "Such a right of communication of works enjoyed by establishments such as publicly accessible libraries covered by Article 5(3)(n) of Directive 2001/29, within the limits of the conditions provided for by that provision, would risk being rendered largely meaningless, or indeed ineffective, if those establishments did not have an ancillary right to digitise the works in question."

192 ibid paras 54 and 56, in line with Article 5(5) InfoSoc and its three-step test.

193 *Funke Medien,* paras 29–38; *Pelham,* paras 78–85.

194 *Funke Medien,* paras 39–44; *Spiegel Online*, paras 23–38.

195 *Funke Medien,* paras 45–53; *Spiegel Online*, paras 31–38.

196 Case C-399/11 *Stefano Melloni v Ministerio Fiscal* [2013] EU:C:2013:107. *Funke Medien,* paras 30, 32; *Pelham,* paras 78, 80; *Spiegel Online*, paras 19, 21.

197 *Funke Medien*, paras 56–63; *Pelham*, paras 58–64; *Spiegel Online*, paras 41–48.

confirming earlier decisions,[198] the CJEU reiterated that to ensure that the effectiveness of exceptions is safeguarded, national courts may and should provide also extensive interpretation of such provisions if needed, and particularly when the protection of a fundamental right or freedom is involved.[199]

Fundamental rights return as an interpretative tool to draw the border of exceptions. *Spiegel Online* ruled out that the exception of reproduction for purpose of reporting current events (Article 5(3)(c) InfoSoc) may be subject to the author's prior consent, arguing that the provision of such a requirement would make it impossible for the norm to achieve its goal of allowing a fast dissemination of information among the general public, and thus to protect freedom of expression and press.[200] More generally, the CJEU took the opportunity to provide a harmonized definition of the exception,[201] maintaining that the notion of "reporting" does not require to analyze the event in detail, while that of "current event" emphasizes the importance of having a public informatory interest in order to justify the derogation to exclusive rights,[202] and to limit the use of a protected work to the extent necessary to the purpose.[203]

The decision intervened also on the definition of the concept of "quotations" for criticism or review under Article 5(3)(d) InfoSoc, offering an interpretation based on the usual meaning of the word in the everyday language and taking into account legislative context and purpose of the provision (see further the discussion in Chapter 12). The essential characteristic of quotation was thus identified in the "use, by a user other than the copyright holder, of a work or, more generally, of an extract from a work for the purposes of illustrating an assertion, of defending an opinion or of allowing an intellectual comparison between that work and the assertions of that user".[204] In this sense, the Court agreed with Advocate General (AG) Szpunar[205] that Article 5(3)(d) requires that the user "establish a direct and close link between the quoted work and his own reflections, thereby allowing for an intellectual comparison to be made with the work of another", and that the quoted excerpts is not secondary nor so extensive as to violate Article 5(5) InfoSoc.[206] Yet, the decision excluded the need for the quote to be inextricably embedded into the citing work, admitting also that a hyperlink could constitute a quotation. The conclusion was grounded on the key role played by hyperlinks in fostering freedom of expression and of information on the internet,[207] and on the need to strike a fair balance between the latter and the right of reproduction. In line with *Spiegel Online*, also *Pelham* ruled that to have a quotation it is necessary that the user of a protected work had the intention of entering into a dialogue with the work quoted. The principle, applied in the context of sound samples taken from a phonogram, requires that it

198 *Funke Medien*, para 68; *Spiegel Online*, para 52.

199 *Funke Medien*, para 71; *Spiegel Online*, para 55.

200 *Spiegel Online*, paras 71–73.

201 Ibid., para 65.

202 Ibid., paras 66–67.

203 Ibid., para 68.

204 Ibid., para 78.

205 Opinion of AG Szpunar in Case C-516/17 *Spiegel Online* [2019] EU:C:2019:16, para 43.

206 *Spiegel Online*, para 79.

207 ibid para 81, recalling case C-160/15 *GS Media BV v Sanoma Media Netherlands BV and Others* [2016] EU:C:2016:644, para 45, and *Renckhoff*, para 40. In the field of secondary liability, however, see the distinction made by the recent Opinion of AG Saugmandsgaard Øe in Joined Cases C-682/18 and C-683/18, *Frank Peterson v Google LLC, YouTube LLC, YouTube Inc., Google Germany GmbH (C-682/18) and Elsevier Inc. v Cyando AG (C-683/18)* [2020] EU:C:2020:586.

remains possible to identify the work quoted and embedded in a new song, so much that a dialogue between quoting and quoted works could be cognizable by an external listener.[208]

Conclusions

Differently than in the cases of the right of distribution, and even more of the right of communication to the public, the definition and scope of the reproduction right have not been subject to unexpected stretches or great degrees of overhaul in the past two decades. After the heated debates that surrounded its complex update and reform along the 1990s, in response to the advent of the internet, the increased spread of personal computers and the digitization of protected works, the most classic among the exclusive rights settled on an apparently very broad legislative definition. Commentators, activists and policy makers feared that a purely technical interpretation of the notion of reproduction could lead to attributing to copyright owners the monopoly over too wide an array of conducts, regardless of their actual impact on the normal exploitation of the works. However, their dreads were progressively dispelled by a relatively balanced definition of the notions of temporary and partial reproduction by the CJEU, which has adopted a cautious and mostly normative approach, limiting the scope of the right to what was necessary to ensure that rightholders retain control over economically significant uses of their works. As a sort of final act of the saga, the Court went even as far as to use the concept of fair balance between conflicting fundamental rights to set the boundaries of Article 2 InfoSoc, excluding that short sound samplings violated the reproduction right of producers of phonograms, and thus introducing into the teleological interpretation of the provision an element of constitutionalization[209] that has never featured the field beforehand.

Pitfalls and criticisms have mostly concerned "side" products of the interpretation that the Court offered of Article 2 InfoSoc, e.g., the definition of protected subject matter, still affected by great uncertainty and not effectively circumscribed. However, this has not prejudiced the judicial development of the right of reproduction, which is still characterized by a greater clarity and a more balanced construction than the two other exclusive rights harmonized by the InfoSoc Directive, featuring, instead, an often-uncontrolled expansion, which severely impact on the copyright balance.

208 *Pelham*, paras 72–74.

209 The "constitutionalization" of intellectual property, and particularly of copyright, is the label used by several scholars to identify the process that has led to the use of fundamental rights to interpret and – in some instances – advance the harmonization of EU copyright law. See, *inter alia*, Jonathan Griffiths, 'Constitutionalising or Harmonizing? The Court of Justice, the Right to Property and European Copyright Law' [2013] 38 ELR 65; Christophe Geiger, '"Constitutionalising" Intellectual Property Law? The Influence of Fundamental Rights on Intellectual Property in the European Union' [2006] 35 IIC 371; Martin Husovec, 'Intellectual Property Rights and Integration by Conflict: The Past, Present and Future' [2016] 18 Cambridge Yearbook of European Legal Studies 239, 262; Tuomas Mylly, 'The Constitutionalisation of the European Legal Order: Impact of Human Rights on Intellectual Property in the EU', in Christophe Geiger (ed), *Research Handbook on Intellectual Property and Human Right* (Edward Elgar 2015), 119; Jens Schovsbo, 'Constitutional Foundations and Constitutionalization of IPR Law' [2015] Zeitschrift fur Geistiges Eigentum 383; Jonathan Griffiths, 'Taking Power Tools to the Acquis – The Court of Justice, the Charter of Fundamental Rights and European Union Copyright Law', in Christophe Geiger (ed), *Intellectual Property and the Judiciary* (Edward Elgar 2018); Stijn van Deursen and Thom Snijders, 'The Court of Justice at the Crossroads: Clarifying the Role for Fundamental Rights in the EU Copyright Framework' (2018) 49 IIC 1080; Peter Oliver and Christopher Stothers, 'Intellectual Property under the Charter: Are the Court's Scales Properly Calibrated?' (2017) 54 CMLR 517.

The road ahead to fully adjust Article 2 InfoSoc to current times and technologies is still rather long. Yet, the approach adopted by the CJEU is promising, and draws a path of legal certainty, balanced teleological consideration of the dichotomy exclusivity-access and stability in doctrines and interpretative outputs that could be used – save for some flaws – as a role model for the construction of other exclusive rights.

References

Bently, Lionel, Sherman, Brad (2004) *Intellectual Property Law* (2nd ed, OUP).

Dillon, Thomas (2016), 'Evidence, Policy and 'Evidence for Policy', 11(2) JIPLP 92.

Drier, Thomas, Hugenholtz, Bernt (eds) (2006), *Concise European Copyright Law* (OUP).

European Commission (1988), Green Paper Copyright and the Challenge of Technology – Copyright Issues Requiring Immediate Action, COM (88) 172 final.

European Commission (1995), Green Paper 'Copyright and Related Rights in the Information Society' COM (95) 382 final.

European Commission (1996), Follow-up to the Green Paper on Copyright and Related Rights in the Information Society, COM (96) 586 final.

European Commission (1997), Explanatory Memorandum to the Proposal for a Directive on the Harmonization of Certain Aspects of Copyright and Related Rights in the Information Society, COM (97) 628 final.

European Commission Staff Working Paper (2004), Review of the EC Legal Framework in the Field of Copyright and Related Rights, SEC (2004) 995.

European Copyright Society (2015), 'Opinion on the Judgment of the CJEU in Case C-201/13 Deckmyn', 37 EIPR 127.

European Copyright Society (2019), Opinion in Relation to the Pending Reference before the CJEU in Cofemel v G-Star, C-683/17, available at https://europeancopyrightsocietydotorg.files.wordpress.com/2018/11/ecs-opinion-cofemel_final_signed.pdf (last accessed 19 August 2020).

European Copyright Society (2019), Opinion in Relation to the Pending Reference before the CJEU in Case C-833/18, Brompton Bicycle v Chedech / Get2Get ("Brompton" case), available at https://europeancopyrightsocietydotorg.files.wordpress.com/2019/12/ecs-opinion-brompton-final-12-12-2019-final-3.pdf (last accessed 19 August 2020).

Geiger, Christophe (2006), '"Constitutionalising" Intellectual Property Law? The Influence of Fundamental Rights on Intellectual Property in the European Union' 35 IIC 371.

Griffiths, Jonathan (2013), 'Constitutionalising or Harmonizing? The Court of Justice, the Right to Property and European Copyright Law', 38 ELR 65.

Griffiths, Jonathan (2018), 'Taking Power Tools to the Acquis – The Court of Justice, the Charter of Fundamental Rights and European Union Copyright Law', in Geiger, Christophe (ed), *Intellectual Property and the Judiciary* (Edward Elgar).

Guibault, Lucie, Westkamp, Guido, Rieber-Mohn, Thomas (2007), 'Study on the Implementation and Effect in Member States' Laws of Directive 2001/29/EC on the Harmonisation of Certain Aspects of Copyright and Related Rights in the Information Society', Report to the European Commission.

Hugenholtz, Bernt, Koelman, Kamiel (1999), 'Copyright Aspects of Caching: Digital Intellectual Property Practice Economic Report, Amsterdam, Institute for Information Law.

Hugenholtz, Bernt et al. (2006), The Recasting of Copyright and Related Rights for the Knowledge Economy. Report to the European Commission, DG Internal Market.

Husovec, Martin (2016), 'Intellectual Property Rights and Integration by Conflict: The Past, Present and Future', 18 Cambridge Yearbook of European Legal Studies 239.

Jütte, Bernd Justin, Quintais, Joao, (2019), 'Advocate General Turns down the Music – Sampling Is Not a Fundamental Right under EU Copyright Law', 41 EIPR 654.

Kretschmer, Martin (2003), 'Digital Copyright: The End of an Era', 25 EIPR 333.

Legal Advisory Board (1996), Reply to the 1995 Green Paper on Copyright and Related Rights in the Information Society, Brussels.

Leistner, Mathias (1999), 'Der neue Rechtsschutz des Datenbankherstellers', GRUR Int 819.

Leistner, Mathias (2014), 'Europe's Copyright Law Decade: Recent Case Law of the European Court of Justice and Policy Perspectives', 51 CMLR 586.
Mylly, Tuomas (2015), 'The Constitutionalisation of the European Legal Order: Impact of Human Rights on Intellectual Property in the EU', in Geiger, Christophe (ed), *Research Handbook on Intellectual Property and Human Right* (Edward Elgar).
Ohly, Ansgar (2008), 'Economic rights', in Estelle Derclaye (eds) *Research Handbook on the Future of EU Copyright* (Elgar), 212.
Oliver, Peter, Stothers, Christopher (2017), 'Intellectual Property under the Charter: Are the Court's Scales Properly Calibrated?', 54 CMLR 517.
Records of the Diplomatic Conference on Certain Copyright and Neighbouring Rights Questions (1996) WIPO Publication 348, docs CRNR/DC/22, CRNR/DC/53, CRNR/DC/53, CRNR/DC/56, CRNR/DC/73.
Reimer, Dietrich, Ulmer, Eugen (1967), 'Die Reform der materiellrechtlichen Bestimmungen der Berner Ubereinkunft', GRUR Int 431.
Reinbothe, Jorge, von Lewinski, Silke (2015), *The WIPO Treaties on Copyright* (2nd ed, OUP).
Rendas, Tito (2018), 'Copyright Protection of Designs in the EU: How Many Originality Standards is Too Many?', 13(6) JIPLP 439.
Ricketson, Sam, Ginsburg, Jane (2006), *International Copyrights and Neighboring Rights. Berne Convention and Beyond* (2nd ed, OUP).
Rosati, Eleonora (2019), *Copyright and the Court of Justice of the European Union* (OUP).
Schovsbo, Jens (2015), 'Constitutional Foundations and Constitutionalization of IPR Law', Zeitschrift fur Geistiges Eigentum 383.
Sganga, Caterina (2019), 'A Decade of Fair Balance, and How to Fix It. Copyright versus Fundamental Rights before the CJEU from Promusicae to Funke Medien, Pelham and Spiegel Online', 11 EIPR 683.
Synodinou, Tatiana (2012) 'The foundations of the concept of work in European copyright law', in Tatiana E Synodinou (ed), *Codification of European Copyright Law. Challenges and Perspectives* (Kluwer).
Turner, Mark, Callaghan, Dominic (2008), 'You Can Look But Don't Touch! The Impact of the Google v Copiepresse Decision on the Future of the Internet', 30 EIPR 34.
van Deursen, Stijn, Snijders, Thom (2018), 'The Court of Justice at the Crossroads: Clarifying the Role for Fundamental Rights in the EU Copyright Framework', 49 IIC 1080.
van Eechoud, Mireille et al. (2009), *Harmonizing European Copyright Law. The Challenges of Better Lawmaking* (Wolter Kluwer).
Vivant, Michel (1992) 'Copyrightability of Computer Programs in Europe', in Alfred Meijbook, Corien Prins (eds), *The Law of Information Technology in Europe* (Deventer).
von Lewinski, Silke (2007), 'Stakeholder Consultation on Copyright Levies in a Converging World – Answers of the Max-Planck-Institut', 38 IIC 65.
von Lewinski, Silke (2008) *International Copyright Law and Policy* (OUP).
Walter, Michel M (ed) (2001) *Europaisches Urheberrecht, Kommentar* (Springer).
Walter, Michel M, von Lewinski, Silke (eds) (2010) *European Copyright Law. A Commentary* (OUP).

Case law

Case C-5/08 Infopaq International A/S v Danske Dagblades Forening [2009] EU:C:2009:465.
Case C-393/09 Bezpečnostní softwarová asociace – Svaz softwarové ochrany v Ministerstvo kultury [2010] EU:C:2010:816.
Case C-467/08 Padawan v SGAE [2010] EU:C:2010:620.
Case C-462/09, Stichting de Thuiskopie v Opus Supplies Deutschland GmbH et al [2011] EU:C:2011:397.
Case C-70/10 Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM) [2011] EU:C:2011:771.
Case C-145/10 Eva-Maria Painer v Standard Verlags GmbH and Others [2011] EU:C:2011:798.
Case C-277/10 Martin Luksan v Petrus van der Let [2012] EU:C:2012:65.
Case C-360/10 Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v Netlog NV [2012] EU:C:2012:85.
Case C-463/12 Copydan Båndkopi v Nokia Danmark [2012] EU:C:2015:144.
Case C-406/10 SAS Institute v World Programming Ltd [2012] EU:C:2012:259.

Case C-399/11 Stefano Melloni v Ministerio Fiscal [2013] EU:C:2013:107.
Case C-314/12 UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH [2014] EU:C:2014:192.
Case C-435/12 ACI Adam and Others v Stichting de Thuiskopie [2014] EU:C:2014:254.
Case C-360/13 Public Relations Consultants Association Ltd v Newspaper Licensing Agency Ltd and Others (Meltwater) [2014] EU:C:2014:1195.
Case C-201/13 Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others [2014] EU:C:2014:2132.
Case C-117/13 Technische Universität Darmstadt v Eugen Ulmer KG [2014] EU:C:2014:2196.
Case C-419/13 Art & Allposters International BV v Stichting Pictoright [2015] EU:C:2015:27.
Case C-572/13 Hewlett-Packard Belgium SPRL v Reprobel SCRL [2015] EU:C:2015:750.
Case C-117/15, Reha Training v GEMA [2016] EU:C:2016:379.
Case C-470/14 EGEDA and Others v AMETIC [2016] EU:C:2016:418.
Case C-160/15 GS Media BV v Sanoma Media Netherlands BV and Others [2016] EU:C:2016:644.
Case C-301/15, Marc Soulier and Sara Doke v Premier ministre and Ministre de la Culture et de la Communication [2016] EU:C:2016:878.
Case C-527/15 Stichting Brein v Jack Frederik Wullems [2017] EU:C:2017:300.
Case C-610/15, Stichting Brein v Ziggo BV and XS4All Internet BV [2017] EU:C:2017:456.
Case C-161/17, Land Nordrhein-Westfalen v Dirk Renckhoff [2018] EU:C:2018:634.
Case C-310/17 Levola Hengelo BV v Smilde Foods BV [2018] EU:C.2018:899.
Case C-469/17 Funke Medien NRW GmbH v Bundesrepublik Deutschland [2019] EU:C:2019:623.
Case C-476/17 Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben [2019] EU:C:2019:624.
Case C-516/17 Spiegel Online GmbH v Volker Beck [2019] EU:C:2019:625.
Case C-683/17 Cofemel – Sociedade de Vestuário SA v G-Star Raw CV [2019] EU:C:2019:721.
Case C-833/19 SI and Brompton Bicycle Ltd v Chedech / Get2Get (2020) EU:C:2020:461.
High Court of England and Wales, BASCA v The Secretary of State for Business, Innovation and Skills, [2015] EWHC 1723.
Joined Cases C-403/08 Football Association Premier League Ltd and Others v QC Leisure and Others and C-429/08 Karen Murphy v Media Protection Services Ltd (FAPL) [2011] EU:C:2011:631.
Joined Cases C-457–458–459–460/11 VG Wort v Kyocera and Others [2013] EU:C:2013:426.
Order in case C-302/10 Infopaq International A/S v Danske Dagblades Forening [2012] EU:C:2012:16.

8

THE DISTRIBUTION RIGHT AND ITS EXHAUSTION

Ole-Andreas Rognstad

Abstract

The distribution right is, historically speaking, not the most obvious of copyright's economic rights. It emerged in the late 19th and the 20th century as an expression of the rightholder's right to control of the first act of distribution (first sale) of tangible copies. This implies that the redistribution of the copies as a rule is not covered by the exclusive rights, but subject to so-called exhaustion of rights. In European Union (EU) law, an EU-wide principle of exhaustion emerged on the basis of the rules on free movement of goods in what are now Articles 30 and 36 of the Treaty on the Functioning of the European Union (TFEU) in the 1970s, while the distribution right with pertaining exhaustion provisions were subject to wide harmonization from the early 1990s on. In this contribution, it is emphasized that the distribution right and its exhaustion are designed for the distribution of tangible copies. The case law of the Court of Justice of the European Union (CJEU) reveals a concept of distribution that is wide in certain respects, narrower than expected in others and highly ambiguous when it comes to applying it to the online context. The ambiguity is caused by the exhaustion rule, and its application to online transmissions and download services has been highly controversial. The hitherto approach of the CJEU to distinguish between computer programs and other kinds of works and treat the lending right as a case aside is to a large extent based on formalistic legal arguments and is not necessarily consistent. Still, it should not be forgotten that solutions designed for the physical and analogue world are not necessarily transferrable to the digital context.

Contents

Abstract 151
Distribution and exhaustion – historical overview 152
The concept(s) of distribution 155
Transfer of possession or transfer of ownership? 155
Any act that leads to distribution 157
"To the public" 157
The distribution right applies to cross-border situations 158
Application to the digital environment 159

Exhaustion of the distribution right – rationale and conditions 161
Overview and rationale 161
Copy criterion 162
Sale/transfer criterion 165
Consent criterion 165
Mandatory character 167
Application to the online context 167
Conclusion 169
References 170
Case law (CJEU) 171

Distribution and exhaustion – historical overview

Historically speaking, the distribution right is not the most obvious of copyright's economic rights. In many jurisdictions, a right to control the *distribution of copies of works* was for long considered as being implicit in the reproduction right. Nor is a generally applicable distribution right included in the Berne Convention for the Protection of Literary and Artistic Works (BC), which only envisages a specific right to distribution of cinematographic works (Article 14) in addition to a rule on seizure of infringing copies (Article 16). A general distribution right was first introduced in the World Intellectual Property Organization (WIPO) Treaties of 1996, that is, in Article 6 of the WIPO Copyright Treaty (WCT) and Articles 8 and 12 of the WIPO Performances and Phonograms Treaty (WPPT).

Still, in some jurisdictions, notably in Germany, a distribution right was introduced already in the 19th century, originally to address the distribution of unlawfully made copies. The famous German scholar, Josef Kohler argued in 1880 that the author also *had* a right to control the public distribution of lawfully made copies. This distribution right was, however, according to Kohler, exhausted ("erschöpft") at the time of the completion of the publication act, meaning that the rightholder could not control the distribution of copies beyond the first act of publication.[1] Kohler claimed that to give the author "legal sovereignty" over the distribution beyond the first publication would represent an interference in the human freedom of action that nobody would acknowledge to them. Similar thoughts, if even more explicit, were expressed by Kohler in 1896.[2] An express distribution right, covering the distribution of lawfully made copies, was subsequently introduced in the new German copyright acts of 1901 and 1907,[3] but still without providing for a specific exhaustion rule. German courts, however, developed an exhaustion rule in two decisions of 1906,[4] after having done the same in the patent field four years earlier,[5] Kohler argued in favor of a general exhaustion principle in his book on author's rights to written works and publishing rights of 1907.[6] It is also to be noted that a similar principle – the first sale doctrine – was

1 Josef Kohler, *Das Autorrecht, eine zivilistische Abhandling*, Jena: Verlag Gustav Fischer (1880), 138–139.
2 Josef Kohler, "Verbreitung von Schriftwerken", *Archiv für zivilistiche Praxis* (1896), 435–451, 436.
3 Act Concerning Copyright to Works of Literature and Music (1901) and Act Concerning Copyright to Works of Artistic Expression and Photographies (1907).
4 RGZ (Reichsgericht in Zivilsachen) 63 (1906), 394 (*König Kursbuch*); RGSt (Reichsgericht in Strafsachen) 39 (1906), 108.
5 RGZ (Reichsgericht in Zivilsachen) 50 (1902), 229 (*Kölnisch Wasser*); RGZ 51 (1902), 139 (*Duotal*).
6 Josef Kohler, *Urheberrecht an Schriftwerken und Verlagsrecht*, Stuttgart: Verlag von Ferdinand Enke (1907), newprint Aalen: Scientia Verlag (1980), 181–182.

confirmed by the US Supreme Court in 1908,[7] and that the distribution right and the first sale doctrine were codified in the US Copyright Act of 1909. In Germany, the exhaustion rule was not introduced into the legislation until the copyright reform in 1965, but it was well-established law at that time.

The development of the exhaustion principle in the case law of the Court of Justice of the European Union (CJEU) may be considered modelled on the German exhaustion rule in that the formulation of the principle was based on the sale of copies with the consent of the rightholder. The development is, however, a symptom of the fact that rightholders to a large extent could oppose the import or distribution of imported copies from other Member States ("national exhaustion"). This, the CJEU held, conflicted with the competition rules in the first place and the rules on free movement of goods in the second. The exhaustion principle, which for the first time was articulated in the *Deutsche Grammophon* case regarding phonogram producers' rights, was however based on the Treaty rules on free movement of goods (today Articles 30 and 36 of the Treaty on the Functioning of the European Union (TFEU)).[8] The principle implied that a holder of an IP right could not prevent importation and resale of a product that was put on the market in another Member State with the consent of the rightholder. For authors rights, the CJEU confirmed the principle of exhaustion of the distribution right in the early 1980s.[9] The exhaustion principle applies to trade between EU Member States and have been extended also to the EFTA states by way of the EEA Agreement.[10]

The Treaty rules on free movement of goods regulate only the exhaustion question and not the distribution right as such. The Community (EU) legislator introduced from the early 1990s on various provisions on distribution and exhaustion for the purpose of harmonization. First, harmonized distribution and exhaustion rules were introduced in sector-specific directives, notably Article 4 of the Computer Program Directive[11] (CPD), Article 9 of the Rental and Lending Directive[12] (RLD) (on neighboring rights) and Articles 5 and 7 of the Database Directive[13] (DBD). Subsequently, there was 'horizontal' regulation in Article 4 of the InfoSoc Directive[14] (ISD) applicable to all kinds of works.[15] The introduction of a distribution right with pertaining exhaustion rules in the secondary legislation implies, in

7 *Bobbs-Merrill Co. v. Straus*, 210 US., 339.

8 Consolidated version of the Treaty on the Functioning of the European Union, OJ C 326, 26.10.2012, pp. 47–390. Case 78/70, *Deutsche Grammophon Gesellschaft v. Metro-SB Großmarkte GmbH & Co.*, ECLI:EU:C:1971:59.

9 Joined Cases 55/80 and 57/80, *Musik-Vertrieb Membran and K-Tel International v. GEMA*, ECLI:EU:C:1981:10, and subsequently in Case 181/80, *Dansk Supermarked AS v.AS Imerco*, ECLI:EU:C:1981:17.

10 See Protocol 28, Article 2, to the Agreement on the European Economic Area (EEA), comprising EU and its Member States on the one hand, and the EFTA States Norway, Iceland and Liecthenstein, on the other. See further Ole-Andreas Rognstad, "Article 65(2). Intellectual Property Rights", in Finn Arnesen et al., *Agreement on the European Economic Area. A Commentary*, Baden Baden: C.H Beck.Hart.Nomos/Universitetsforlaget (2018), 641–659, 647–648.

11 Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version) (Text with EEA relevance), OJ L 111, 5.5.2009, pp. 16–22.

12 Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version), OJ L 376, 27.12.2006, pp. 28–35.

13 Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, OJ L 77, 27.3.1996, pp. 20–28.

14 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19.

15 For a thorough account of the development of the various distribution and pertaining exhaustion rules in the directives, see Liliia Oprysk, *Reconciling the Material and Immaterial Dissemination Rights in the Light of the Development under the EU Copyright Acquis*, Tartu: University of Tartu Press (2020), 106–121 and 164–173. See

parallel with what the CJEU has stated regarding the same phenomenon in trade mark law, that the national measures must be assessed in relation to the provisions of the directives and not the Treaty rules.[16] However, this must not lead to conclusion that the Treaty provisions are irrelevant for exhaustion in areas covered by the secondary legislation.[17] Even if the distribution right and the exhaustion rules are harmonized, the harmonization does not lead to the abolishment of trade restrictions. If the conditions for exhaustion are not met, the rightholder may invoke their distribution right also in order to prevent sales from other Member States. This implies that the rules of the directives have to be interpreted in light, and within the boundaries, of the free movement rules, since "a directive cannot justify obstacles to intra-Community trade save within the bounds set by the Treaty rules".[18] The fact that the CJEU also has stated that Article 4(2) ISD does not leave it open to the Member States to provide for an exhaustion rule beyond the EU wide exhaustion[19] does nothing to change that.[20] This statement is aimed at the regulation of trade from states outside the EU (EEA) and not intra-state trade, which is regulated by the principles of free movement.

The traditional scope of the distribution right and the exhaustion rule has been the distribution of tangible copies, i.e. physical media incorporating the work or other subject matter. This scope has been challenged by the technological development, as the most debated issue related to the distribution right over the last 15 years has been whether, and if so to what extent, the right with its exhaustion applies to online contexts.[21] Based on the regulation in the WIPO Treaties, and the apparent system of the ISD, it lies close at hand to conclude that the distribution right and the adjacent rights of rental and lending only apply to the distribution of tangible copies. The case law of the CJEU, however, shows that the question is not clear-cut, and that there at least are differences between the various directives in this respect.[22] Additionally, the regulation of the ISD is

also Peter Mezei, *Copyright Exhaustion: Law and Policy in the United States and the European Union*, Cambridge: Cambridge University Press (2018), 38–45.

16 Case C-427/93, *Bristol Myers Squibb v. Paranova A/S*, ECLI:EU:C:1996:282, at [25].

17 In this direction, Caterina Sganga, "A Plea for Digital Exhaustion in EU Copyright Law", 9 *JIPITEC* (2018), 211–239, 217, who, on the view that ISD "is a directive of maximum harmonization", points out that, "for instance, Article 36 TFEU could not justify, on the example of the case law on Community exhaustion, the judicial extension of Article 4 InfoSoc beyond the borders set by Recitals 28 and 29". This is true, but the problem is the opposite – that the directive cannot provide for trade barriers beyond the scope of Article 30 TFEU.

18 See case C-427/93, *Bristol Myers Squibb* (supra fn 16), para. 36.

19 Case C-479/04, *Laserdisken ApS v Kulturministeriet*, ECLI:EU:C:2006:549 para. 24.

20 Cf. Sganga (fn 17 *supra*), 217.

21 Some contributions to the debate, although the list is certainly not exhaustive, are Eric Tjong Tijn Tai, "Exhaustion and Online Delivery of Digital Works", 25 *EIPR* (2003), 207–211; Andreas Wiebe, "The Principle of Exhaustion and the Distinction between Digital Goods and Digital Services", 58 *GRUR Int.* (2009), 114–118; Guido Westkamp, "Emerging Escape Clauses? Online Exhaustion, Consent and European Copyright Law", in Jan Rosén (ed.), *Intellectual Property at the Crossroads of Trade*, Cheltenham; Northampton, MA: Edward Elgar (2012) 38–66; Yin Harn Lee, '"UsedSoft GmbH v. Oracle International Corp" (Case C-128/11) – Sales of "Used" Software and the Principle of Exhaustion" 43 *IIC* (2012), 846–853; Péter Mezei, "Digital First Sale Doctrine Ante Portas. Exhaustion in the Online Environment", 6 *JIPITEC* (2018), 23–71; Mezei, *supra* fn. 15, 92–165; Reto Hilty, "Exhaustion in the Digital Age", in Irene Calboli and Edward Lee, *Research Handbook on Intellectual Exhaustion and Parallel Imports*, Cheltenham; Northampton, MA: Edward Elgar Publishing (2016), 64–82; Sganga (*supra* fn 17); Oprysk (*supra* fn 15), 175–182 and 281–334; Péter Mezei, "The Doctrine of Exhaustion in Limbo – Critical Remarks on the Tom Kabinet Ruling", *Jagiellonian Intellectual Property Law Review* (2020/2), forthcoming, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3560138 (last accessed 5 August 2020). I can also mention my own contribution, Ole-Andreas Rognstad, "Legally Flawed but Politically Sound? Digital Exhaustion of Copyright in Europe after UsedSoft", 1 *Oslo Law Review*, 1–19.

22 See Case C-128/11, *UsedSoft GmbH v Oracle International Corp.*, ECLI:EU:C:2012:407; Case C-174/15, *Vereniging Openbare Bibliotheken v Stichting Leenrecht*, ECLI:EU:C:2016:856. See also Case C-166/15, *Aleksandrs*

based on the notion that online contexts are about "services", not goods, and that the exhaustion rule does not apply to the former, only the latter. This notion can be challenged under the Treaty rules on free movement, which implies that it cannot necessarily be taken at face value. We will come back to this question later on.

In any event, it is important to underscore that the distribution right *applies* to the distribution of tangible copies of the work. Even though such distribution in many contexts has been replaced by online dissemination, for example, streaming of music and films, there is still a tangible world out there even for copyright works and related subject matters. Hence, the following analysis will discuss the framework that is designed for the tangible world, but with a view on how this framework adapts to the intangible and digital environment. It is here also to be noted that the legal regulation is not necessarily the same for all kinds of works and related subject matters, as we shall see. In the following, we will look at the concepts of distribution first before dealing with the limitation of the exclusive rights.

The concept(s) of distribution

Transfer of possession or transfer of ownership?

Pursuant to Article 4(c) CPD, the author of a computer program is granted the exclusive right to "any form of distribution to the public, including the rental, of the original computer program or of copies thereof". The wording "any form of distribution" indicates a broad understanding of the distribution concept, and the inclusion of a rental right confirms that it reaches beyond the transfer of ownership. Indeed, also the phrasing of the distribution rights in Article 9(1) RLD (neighbouring rights), Articles 5c and 7(2) DBD and Article 4(1) ISD seems to imply a broad concept of distribution – "make available to the public/distribution to the public by sale *or otherwise*" (emphasis added). However, regarding the latter provision, the CJEU found in case C-456/06 (*Peek & Cloppenburg*) that the concept ("distribution to the public by sale or otherwise") "should be interpreted […] as a form of distribution which entails a transfer of ownership".[23]

Thus, in the case at hand the transfer of temporary possession of unlawfully made copies of the Le Corbusier chair to a shop for the use in the shop's rest area did not constitute an act of distribution pursuant to Article 4(1) ISD. The Court supported its findings by reference to Article 6(1) WCT, which provides for a general right of distribution for authors comprising "the making available to the public of the original and copies of their works through sale or other transfer of ownership".[24] The minimum obligation of this provision is, however, hardly a convincing argument for delineating the scope of the distribution right in EU law correspondingly.[25] Neither is the Court's reference to the fact that Article 4(2) ISD, like WCT Article 6(2), explicitly attaches the effects of *exhaustion* of the distribution right to the (first) sale and transfer of ownership.[26] The questions of the scope of the distribution concept and what triggers the exhaustion of the right are of different kinds, although they are interrelated. There is therefore no necessary correlation between them.[27] Nevertheless, the

Ranks and Jurijs Vasiļevičs v Finanšu un ekonomisko noziegumu izmeklēšanas prokoratūra and Microsoft Corp., ECLI:EU:C:2016:762.

23 Case C-456/06, *Peek & Cloppenburg KG v Cassina SpA*, ECLI:EU:C:2008:232.

24 *Ibid*., at [33].

25 See Michel Walter and Silke von Lewinsky, *European Copyright Law – A Commentary*, Oxford: Oxford University Press (2010), 993-994. See also Oprysk (*supra* fn 15), 122.

26 *Peek & Cloppenburg*, (*supra* fn 23), at [35].

27 See also Rognstad (*supra* fn 21), 9–11.

CJEU leans on the WCT to justify this correlation (although it breaks in other contexts, as we shall see[28]). Again, this conclusion was not compelling, but the CJEU chose to limit the scope of the distribution right of the ISD with reference to the apparent correlation in the WCT. In case C-516/13 (*Dimensione Direct Sales*) regarding advertisements of furniture on a website, the Court confirmed that the concept of distribution to the public entails a transfer ownership, although it found an advertisement of the goods to be sufficient in this respect.[29]

The consequence of the Court's position is that any temporary possession of originals or copies of works falls outside the scope of the distribution right in Article 4(1) ISD. This does, in fact, not affect the exclusive rights to rental and public lending which follow from the RLD and which are not, as a rule, subject to exhaustion. Other kinds of temporary possession, i.e. the kinds that are neither for direct or indirect economic or commercial advantage nor made through establishments available to the public, are not subject to the harmonized exclusive rights *acquis*. Possibly this is different for computer programs because of the phrasing of Article 4c CPD and the legislative history,[30] along with this Directive's status as *lex specialis* to ISD,[31] but it is hardly of any practical importance. Although the CJEU has not yet expressed its view on the scope of the distribution concepts of Article 9 RLD concerning neighboring rights, the fact that WPPT Articles 8 and 12 are phrased in the same way as WCT Article 6 speaks in favor of interpreting the provision in line with the CJEU's finding in *Peek & Cloppenburg* (distribution = transfer of ownership).

In *Peek & Cloppenburg*, the Court held that not only the temporary possession but also the display of the furniture in the shop fell outside the scope of the distribution right.[32] The question is still whether Member States may grant authors a separate right of public display that covers such acts. Drawing the line between harmonization of right concepts and harmonization of right categories may suggest an affirmative answer. While the Court has consistently held that the exclusive rights under the ISD are fully harmonized,[33] the case law also implies that Member States may introduce, or keep, right categories that are not covered by the directives.[34]

28 See further below.

29 *Dimensione Direct Sales srl and Michele Labianca v Knoll International Spa*, ECLI:EU:C:2015:315.

30 See Lionel Bently, "Directive 91/250/EEC – Directive on the Legal Protection of Computer Programs", in Thomas Dreier and Bernt Hugenholtz (eds.), *Concise European Copyright Law*, Aalphen an den Rijn: Kluwer (2006), 211–238, 223.

31 Case C-128/11, *Used Soft* (fn 22 *supra*), at [51].

32 *Peek & Cloppenburg* (*supra* fn 23), at [28].

33 See Case C-466/12, *Nils Svensson and Others v Retriever Sverige AB*, ECLI:EU:C:2014:76, at [31]–[41], where the Court *inter alia* emphasizes that "if the Member States were to be afforded the possibility of laying down that the concept of communication to the public includes a wider range of activities than those referred to in Article 3(1) of the directive, the functioning of the internal market would be bound to be adversely affected". See also Case C-469/17, *Funke Medien NRW GmbH v. Bundesrepublik Deutschland*, ECLI:EU:C:2019:623, at [36] and [38], where the Court maintained that Articles 2(a) and 3(1) ISD "define a copy holder's exclusive right in the European Union of reproduction and making available to the public in unequivocal terms" and that the provisions consequently "constitute measures of full harmonisation of the corresponding substantive law". These statements are equally transferrable to the distribution right.

34 See C-283/10, *Circul Globus Bucureşti (Circ & Variete Globus Bucureşti) v. Uniunea Compozitorilor şi Muzicologilor din România – Asociaţia pentru Drepturi de Autor (UCMR – ADA)*, ECLI:EU:C:2011:772, at [31]–[41], regarding the right to public performance of works, and C-279/13, *C More Entertainment AB v Linus Sandberg*, ECLI:EU:C:2015:199, at [28]–[37], concerning other kinds of communication to the public of the broadcaster's broadcasts than "on demand-services".

Any act that leads to distribution

Although the distribution concepts in the directives refer to the act of making available copies by sale or otherwise, it follows from the case law of the CJEU that the scope is not limited to situations where a transfer of possession of the copies has actually taken place. In case C-5/11 (*Donner*) concerning the sale of furniture from a website, the Court, in interpreting Article 4(1) ISD, observed that "the distribution to the public is characterised by a series of acts going, at the very least, from the conclusion of a contract of sale to the performance thereof by delivery to a member of the public".[35] Thus, any act in this chain of events carried out by a trader or by a third party on his behalf, even in a cross-border situation, leading to the factual distribution to the public, is covered by the distribution right.[36]

The phrase "at the very least" indicated that also acts preceding the conclusion of the contract could constitute an act of distribution. This was confirmed in case C-516/13 (*Dimensione Direct Sales*). Here, the Court interpreted this phrase in the way "that it is not excluded that the acts or steps preceding the conclusion of a contract of sale may also fall within the concept of distribution and be reserved, exclusively, to the holders of copyright".[37] Referring also to the Court's own statement in C-98/13 (*Blomqvist*) "that distribution to the public must be considered proven where a contract of sale and dispatch has been concluded",[38] it held "that the same is true of an offer of a contract of sale which binds its author. In fact, such an offer constitutes, by its very nature, an act prior to a sale being made". The Court went even further and included "an invitation to submit an offer, or a non-binding advertisement for a protected object", because "those also fall under the series of acts taken with the objective of making a sale of that object".[39] Consequently, all acts that lead to a transfer of ownership are covered by the distribution right. The decision in case C-572/17 (*Syed*) takes this "all the way" by holding that also the storage of goods can represent an act of distribution as long as it is demonstrated that the seller stored the goods with the intention of selling it.[40]

Although the decisions of the CJEU regarding the scope of the distribution concept concern Article 4(1) ISD, it is difficult to see any relevant reasons for not reaching the same results under the other correspondent distribution provisions. As we shall see, however, the far-reaching scope of the distribution concept implies that the alleged correlation between the distribution concept and the concept of sale/transfer under the exhaustion rule does not hold.[41]

"To the public"

The distribution right of the various directives is confined to distribution "to the public". It is, however, not yet quite clear what constitutes "the public" in this context. To be sure, the

35 *Criminal proceedings against Titus Alexander Jochen Donner*, ECLI:EU:C:2012:370, at [26].

36 *Ibid*., at [27].

37 *Dimensione Direct Sales* (*supra* fn 29), at [26].

38 *Martin Blomqvist v Rolex SA and Manufacture des Montres Rolex SA*, ECLI:EU:C:2014:55, at [29].

39 *Dimensione Direct Sales* (*supra* fn. 29), at [27] and [28].

40 *Criminal proceedings against Imran Syed*, ECLI:EU:C:2018:1033, at [29]. Factors to be taken into account in this respect are «the regular restocking of the shop with goods from the storage facilities at issue, accounting elements, the volume of sales and orders as compared with the volume of stored goods, or current contracts of sale». Also the distance between the storage facilities and the place of sale may constitute relevant evidence, but cannot on its own be decisive, see [38]–[40]. Normally, there are reasons to believe that goods are stored in order to be sold, and that was also the conclusion of the Swedish Supreme Court in the case at hand, see case B 589-16, NJA 2019, 423.

41 See further below.

CJEU has in many cases elaborated on the same concept under the communication to the public right in Article 3(1) ISD (discussed at length in Chapter 8) and the remuneration right for performers and phonogram producers in Article 8(2) RLD.[42] Here the CJEU held that the term "public" means an "indeterminate number" and a "fairly large number" of people, respectively, and "'persons in general', that is, not restricted to specific individuals belonging to a private group". This concept is not immediately transferrable to the distribution right, since distribution of one single copy to one person in certain situations could be expected to constitute an infringement of this right. Imagine, for example, the thief who steals a painting and sells it to a single purchaser on the open market. [43]

The CJEU has not yet decided on the concept of the public in relation to the distribution right, but treated a "one to one" situation under the communication to the public right in case C-637/19 (*BY*) in the same manner as other communication to the public cases. The case concerned the sending by email of a copy of a webpage containing a photograph to a court as a piece of evidence in a trial dispute in Sweden. The CJEU held, with reference to its ruling in case C-263/18 (*Tom Kabinet*), that this action fell within the scope of the communication to the public right.[44] Discussing whether the communication in question was to 'the public', the Court reiterated that "the concept of 'public' refers to an indeterminate number of potential recipients and implies, moreover, a fairly large number of persons", and that this meant "making a work perceptible in any appropriate manner to persons in general, that is, not restricted to specific individuals belonging to a private group … [A] communication such as that at issue in the main proceedings must be regarded as referring to a clearly defined and closed group of persons holding public service functions within a court, and not to an indeterminate number of potential recipients". Hence, "the transmission by electronic means of a protected work to a court, as evidence in legal proceedings between individuals, [could not] be regarded as a 'communication to the public' within the meaning of Article 3(1) [ISD]".[45] Although it is not given that the term 'public' is to be interpreted in the same manner in relation to the distribution right, it could be argued that there is no reason to differentiate between sending a physical copy and a copy by email to a court.

The distribution right applies to cross-border situations

Following up on its observation that the distribution to the public is characterized by a series of acts, the CJEU held in C-5/11 (*Donner*) that "in the context of a cross-border sale, acts giving rise to a 'distribution to the public' under Article 4(1) of Directive 2001/29 may take place in a number of Member States".[46] This implies that the act of distribution is not only carried out in the country of origin but also the country of destination. In *Donner*, this meant that the distribution right in Germany might be invoked in a situation where furniture reproduced without the consent of the rightholder in Italy was advertised on the seller's website

42 See, for example, Case C-135/10, *Società Consortile Fonografici (SCF) v. Marco Del Corso*, ECLI:EU:C:2012:140, at [84]–[85]; Case C-162/10, *Phonographic Performance (Ireland) Limited v Ireland and Attorney General*, ECLI:EU:C:2012:141, at [33]–[35]; Case C-117/15, *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v. GEMA*, ECLI:EU:C:2016:379, at [42]–[43].

43 See also Lionel Bently, Dev Gangjee, Brad Sherman, Phillip Johnson, *Intellectual Property Law*, 5th ed., Oxford: Oxford University Press (2018), 150, who argue that transfers of copies between firms, for example, wholesalers and retailers will represent acts of distribution to the public.

44 *BY v. CX,* ECLI:EU:C:2020:863, at [20]. See further below.

45 *Ibid* at [26]–[29].

46 Compare Lionel Bently, Dev Gangjee, Brad Sherman, Phillip Johnson, *Intellectual Property Law*, 5th ed., Oxford: Oxford University Press (2018), 150.

and brought to customers in Germany by transport provided for by the seller. The CJEU stated that a "trader in such circumstances bears responsibility for any act carried out by him or on his behalf giving rise to the distribution to the public".[47] This included acts carried out by a third party where the trader specifically targets the public in the state of destination as long as he is aware of the actions of that third party. Consequently, it was up to national courts to assess whether the trader actually targeted members of the public in the Member State of destination (here: Germany).[48] The German Supreme Court thus concluded, on the basis of the CJEU ruling, that the distribution right under German law was infringed in this case.[49] The finding implies a change of the traditional approach, where the act of distribution has been considered to occur in the country of origin (the seller's place).[50] In C-98/13 (*Blomqvist*), the CJEU confirmed that the same applies also to cross-border sales from outside of the EU (EEA), in a case where fake Rolex watches were purchased from a trader in China (Hong Kong) who had marketed the watches on an English language website.[51]

Application to the digital environment

It has never been disputed that the distribution right applies to distribution of tangible digital copies, like CDs, CD-ROMs and DVDs. The question whether digital distribution in the true sense – through digital networks – is covered by the distribution right, is, however, far more controversial. The controversy lies implicitly in the application of the exhaustion rule, to which we will come back.

One indication of the general attitude to this question can be found in the agreed statements to Articles 6 and 7 WCT (and correspondingly also the agreed statements to Articles 8 and 12 WPPT). Here, "the expressions "copies" and "original and copies", being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects". The implication seems to be that, pursuant to the rights scheme of the WCT (and WPPT), the distribution right applies to the distribution of tangible copies, while online 'distribution' is to be considered as an act of communication to the public (Article 8 WCT), in combination with the right of reproduction in case of downloads. This is in many ways reflected in Recital 28 ISD, which confirms that "[c]opyright protection under this Directive includes the exclusive right to control distribution of the work incorporated in a tangible article". Furthermore, additional statements in Recitals 28 and 29 suggest that the exhaustion rule in Article 4(2) of that Directive does not apply to online services. The implication seems to be that the distribution right is inapplicable to copies made on the basis of such services.

Nevertheless, in case C-128/11 (*UsedSoft*) the CJEU applied the exhaustion rule in Article 4(2) CPD to the resale of software licenses resulting in downloads of computer programs from the rightholder's (Oracle) website. This implied that the distribution right in Article 4(1) of *that* Directive applies to situations where copies are downloaded from the internet on the basis of an online service. It is worthwhile noting the CJEU's statement in *that case* that it

47 *Donner* (fn 35 *supra*), at [28].

48 Relevant factors for this assessment were the existence of a website in the language of the destination state (German), the content and distribution channel of the advertising material, and the co-operation with the third-party transporter, *Donner* (fn. 31 *supra*), para. 29.

49 1 StR 2013/10, *GRUR Int.* 2013, 158.

50 See, for example, Opinion of Advocate General Jääskinen in *Donner* (*supra* fn 35), ECLI:EU:C:2012:195, at [33].

51 See *Martin Blomqvist v. Rolex SA, Manufacture des Montres Rolex SA.*, ECLI:EU:C:2014:55.

followed from WCT of Article 6(1) that "the existence of a transfer of ownership [of a copy made on the basis of an online-service] changes an 'act of communication to the public' […] into an act of distribution".[52] It is also important to note that the CJEU cited Recitals 28 and 29 ISD, but still emphasized that the CPD constitutes a *lex specialis* in relation to the former Directive.[53] Consequently, the CJEU paved the way for applying the distribution right of the *CPD* to transfer of ownership of copies distributed on the basis of an online service.

Similarly, the CJEU in C-174/15 (*VOB*) opened up for the application of the *lending right* in Article 2(1)b) RLD (cf. Articles 1 and 6) to the lending of digital copies over the internet, provided that this yielded the same result as the lending of tangible copies, i.e. "that only one copy may be downloaded during the lending period and that, after that period has expired, the downloaded copy can no longer be used by that user".[54] On the contrary, the CJEU held that "intangible objects and non-fixed copies, such as digital copies, must be excluded from the rental right" in Article 2(1)b) RLD, because of the Agreed Statements to Article 7 WCT.[55] Still, the CJEU found that the subject matter of lending was not necessarily the same as that of rental.[56] Since the rental right, in the same way as the communication to the public right, is not subject to exhaustion, the different interpretation is not likely to be of any practical importance.

On the contrary, the question whether the distribution right in Article 4(1) *ISD* applies to digital distribution has attracted much attention, not least after the CJEU decision in *UsedSoft*. A clarification so far came in C-263/18 (*Tom Kabinet*) regarding the online sale of e-books.[57] Here, the website Tom Kabinet in the Netherlands had established the service Tom Leesclub (Tom reading club), which in its latest version implied that the 'club' uploaded 'used' e-books on their website marked with their digital watermark and offered them to their members for a small fee. Contrary to its findings in *UsedSoft* regarding computer programs, the CJEU came to the conclusion that the supply to the public by downloading, for permanent use, of an e-book did not constitute an act of distribution, but was rather covered by the concept 'communication to the public' (Article 3 ISD). As mentioned above, the CJEU in case C-637/19 (*BY*) also found, with reference to its ruling in *Tom Kabinet,* that the communication to the public right (Article 3 ISD), and not the distribution right (Article 4 ISD), applied where a copy of a website containing a photograph was sent by email to the recipient.

Interestingly enough the CJEU in *Tom Kabinet* did not envisage a 'transformation' of the right of communication to the distribution right as a result of transfer of ownership of the digital copy on the basis of Article 6(1) WCT. Rather, it concluded, on the basis of the Agreed Statements to Articles 6 and 7 cited above, "that Article 6(1) cannot cover the distribution of intangible works such as e-books".[58] Here, there seems to be a clear discrepancy between *UsedSoft* and *Tom Kabinet*. Otherwise, the Court contrasted the distribution right in the ISD and the CPD, pointing *inter alia* to statements in the explanatory memorandum of the proposal for the ISD as well as Recitals 28 and 29.[59] Moreover, the CJEU emphasized again the status of the CPD as *lex specialis* and maintained that the relevant provisions of this Directive "make abundantly clear the intention

52 *UsedSoft* (*supra* fn 22), at [52].

53 *Ibid*., at [56].

54 *Vereniging Openbare Bibliotheken v Stichting Leenrecht*, ECLI:EU:C:2016:856, at [52]. Cf. also the preceding paragraphs for arguments leading up to this conclusion.

55 *Ibid*, at [35]–[37].

56 *Ibid*, at [38].

57 *Nederlands Uitgeversverbond and Groep Algemene Uitgevers v Tom Kabinet Internet BV and Others*, ECLI:EU:C:2019:697.

58 *Ibid*., at [40].

59 *Ibid*., at [41]–[54].

of the EU legislature to assimilate for the purposes of the protection laid down by that directive, tangible and intangible copies of computer programs".[60] It is indeed questionable how clear this intention actually is expressed,[61] but it is still a fact that the Court distinguished between software and e-books regarding the application of the distribution right to the online context. The *Tom Kabinet* decision seems to suggest that software is a case aside, and that the distribution right is confined to distribution of tangible copies for other kinds of works and subject matters. The further implications of the *UsedSoft* and the *Tom Kabinet* decisions, however, will be discussed in the context of the exhaustion rule further below.

Exhaustion of the distribution right – rationale and conditions

Overview and rationale

The exhaustion of the distribution right follows from the various directives in the copyright field. The principle is formulated in a similar manner as the exhaustion rule based on the free movement of goods, but goes further, in particular, in one respect, in that it also regulates trade from third countries and not only intra-Community trade. This is particularly clear from the wording of Article 4(2) ISD, which states that "[t]he distribution right shall not be exhausted within the Community in respect of the original or copies of the work except where the first sale or other transfer of ownership in the Community [EU] is made by the rightholder or with his consent". The CJEU confirmed in C-479/04 (*Laserdisken*), concurrent with what it already had stated for the Trade Mark Directive,[62] that the provision precluded national rules that provide for exhaustion of the distribution right in respect of copies placed on the market outside the EU.[63] This answered in negative the question that was very important at its time, namely whether parallel imports from outside of EU (EEA) could be permitted. For copyright products the impact of the rule of mandatory EU (EEA) exhaustion has decreased due to the technological development[64] and will not be dealt with further here, but it leads to the result that distribution of copies that have never been sold or transferred within the EU (EEA) requires consent from the rightholder. On the other hand, copies that are sold within the EU (EEA) with the consent of the rightholder, and exported outside the area, are already subject to exhaustion and can be reimported and redistributed here without the rightholder's consent.

The rationale behind the exhaustion rule is multi-faceted. The origin of the principle of EU exhaustion implies that market integration within the EU is important when it comes to the cross-border application of the rule.[65] Conversely, market integration concerns also lie behind the rule on mandatory EU (EEA) exhaustion, in the sense that different national regimes on this issue lead to the distortion of intra-EU (EEA) trade.[66]

60 *Ibid*., at [55].

61 See Rognstad (*supra* fn 21), 6–7.

62 Now Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks, OJ L 336, 23.12.2015, pp. 1–26.

63 Case C-479/04, *Laserdisken*. (*supra* fn 19).

64 The US Supreme Court's decision in *Kirtsaeng v. John Wiley & Sons, Inc.*, 568 U.S. 519 (2013), regarding parallel imports of English language text book from Thailand to the US, illustrates, however, that cases about this still can occur. In Europe the result would be the opposite from that of the US Supreme Court, in that the rightholder can invoke their distribution right to prevent imports of copies from a non-EU (EEA) country.

65 See, for example, Joined Cases 55 and 57/80, *GEMA* (*supra* fn. 9), at [18].

66 See Case C-479/04, *Laserdisken* (*supra* fn 19), at [26].

Furthermore, the CJEU has in many cases underscored the importance of the rightholder's opportunity to achieve 'adequate remuneration' for the exploitation of the work and other subject matters.[67] Hence, the acceptance of the exhaustion rule on an EU (EEA) level implies that the rightholder has had the opportunity to receive 'adequate remuneration' for the copy through the possibility of controlling the first sale of it. The 'adequate remuneration' argument has, on the one hand, been used by the CJEU to justify findings of 'non-exhaustion', notably with regard to rental of copies[68] and the cable retransmissions of work transmitted "free to air".[69] On the other hand, the argument has been used to justify exhaustion and 'exhaustion-like' results, even in situations where the result was not obvious.[70] It is not clear, however, what the concept relates to – whether it can be linked to incentive arguments justifying the existence of copyright, or whether it relates to a more open, and diffuse, balance of interest approach. The former can be related to economic arguments about transactions costs, on the one hand, and the desirability to permit efficiency enhancing restrictions on resale (including the avoidance of "free riding") and price discrimination on the other,[71] of which there are traces in the case law of the CJEU.

In addition, there are traditionally also other rationales behind the exhaustion rule, like Kohler's reference to the freedom of action, the copy owners' interests of disposing of their copies (as a property right) and the public interest in access to cultural goods.[72] Such rationales have not yet been explicitly formulated by the CJEU, but they may still have an influence on the outcome, for example, based on the notion of 'balance of interests' (see also the discussion in Chapter 2 from a fundamental rights perspective).

Copy criterion

Exhaustion of the *distribution* right is always related to *copies* of a work, including originals.[73] Whether or not the term "copies" is confined to tangible copies, fixed to a physical medium, is implied in the discussion about the application of the distribution right and the exhaustion

67 See already in the context of patents, Case 15/74, *Centrafarm BV and Adriaan de Peijper v Sterling Drug Inc.*, ECLI:EU:C:1974:114, at [9], cf. also Case 187/80 *Merck & Co. Inc. v Stephar BV and Petrus Stephanus Exler*, ECLI:EU:C:1981:180, at [4].

68 Case 158/86, *Warner Brothers Inc. and Metronome Video ApS v Erik Viuff Christiansen*, ECLI:EU:C:1988:242, at [15]: cf. also Case C-200/96, *Metronome Music GmbH v. Music Point Hokamp GmbH*, ECLI:EU:C:1998:172, at [16], and Case C-61/97, *Egmont Film A/S et al. v, Laserdisken*, ECLI:EU:C:1998:422 at [15].

69 Case 262/81 *SA Compagnie générale pour la diffusion de la télévision, Coditel, and others v Ciné Vog Films and others* (*Coditel I*), ECLI:EU:C:1980:84, at [13] and [14].

70 See *UsedSoft* (*supra* fn 22), at [63]; Joined Cases C-403/08 and C-429/08, *Football Association Premier League Ltd and Others v QC Leisure and Others (C-403/08) and Karen Murphy v Media Protection Services Ltd (C-429/08)*, ECLI:EU:C:2011:631, at [108] ff.

71 See, for example, Wolfgang Kerber, "Exhaustion of Digital Goods: An Economic Perspective", *Zeitschrift für Geistiges Eigentum / Intellectual Property Journal* (2016), 149–169, with further references notably to US literature. See also Joost Poort, "Borderlines of Copyright Protection: An Economic Analysis", in P. Bernt Hugenholtz, *Copyright Reconstructed. Rethinking Copyright's Economic Rights in a Time of Highly Dynamic Technological and Economic Change*, Alphen an den Rijn: Wolters Kluwer (2018), 283–331, 299–305 and Ole-Andreas Rognstad and Joost Poort, "The Right to Reasonable Exploitation Concretized", in Hugenholtz (ed.), *op.cit.*, 121–161, 140–142 and 152–153, regarding economic grounds for 'digital exhaustion'.

72 See also, for example, Simon Geiregat, "Digital Exhaustion of Copyright after CJEU Judgment in Ranks and Vasilevics", *Computer Law & Security Review* (2017), 521–540, 530–532, with further references.

73 It should be emphasized that several of the exhaustion provisions of the EU Directives refer to "original and copies", implying the obvious that the exhaustion rule also applies to original or source copies, but for the sake of simplicity the words "copy" or "copies" are meant to cover originals as well (meaning exemplars). It is to be noted that the exhaustion rules also use the expression "that object" to identify the copies that have been subject to exhaustion.

rule to the online context. Otherwise, the concept of a "copy" (including an original) comes to a head where the copy subject to sale or transfer of ownership has been altered or modified so the question is whether the copy subject to the redistribution is the same as the one subject to the first sale or transfer of ownership.

The question came up before the CJEU in case C-419/13 (*Allposters*).[74] Here, the firm Allposters bought posters of artworks and resold them in the form of posters, framed posters and images of canvases. In the latter case "a synthetic coating (laminate) [was] first applied to a paper poster depicting the chosen work. Next, the image on the poster [was] transferred from the paper to a canvas by means of a chemical process. Finally, that canvas [was] stretched over a wooden frame. The image of the work disappear[ed] from the paper backing during the process".[75] The Dutch rightholder organization Pictoright opposed to such canvas transfer, and the CJEU agreed that Allposters could not invoke the exhaustion rule in Article 4(2) ISD in order to resell the canvas. The Court observed that the process "resulting in the replacement of the paper medium by a canvas" led to "the creation of a new object incorporating the image of the protected work".[76] This, the Court found, was sufficient to constitute a new reproduction pursuant to Article 2(a) ISD. The fact that the ink of the poster was saved during the transfer could not affect the finding that the transfer led to the altering of the image's medium. Consequently, the consent of the rightholder did not cover the distribution of an object incorporating his work, if the object has been altered after its initial marketing in such a way that it constitutes a new reproduction of that work.[77] The Court supported its finding with the "adequate remuneration" argument in that applying the exhaustion rule in this case would deprive rightholders of the possibility of prohibiting the objects from being distributed, or alternatively of requiring appropriate reward for commercial exploitation of their works.[78]

The result was that only the first sale of the *canvas* with the consent of the rightholder would trigger exhaustion pursuant to Article 4(2) ISD. The subtext is that in order for the exhaustion rule to apply, the redistributed copy will have to be the same copy as the one subject to the first sale (cf. the phrase "that object" of the provision, referring back to the copy sold).

Principally, the CJEU has taken a somewhat different approach to exhaustion of the distribution right under the CPD. This is implicit finding in C-128/11 (*UsedSoft*) that exhaustion occurred under Article 4(2) CPD in the case of downloading services since the downloading presupposes the reproduction of a new copy.[79] Also in C-166/15 (*Ranks*), a case which was not about online distribution but rather the resale of tangible copies stored on a non-original medium, the CJEU held on to its application of the extended notion of sale of copies under Article 4(2) CPD.[80] The Court stated that the exhaustion rule "concerns the copy of the computer program itself, and not the material medium on which that copy has […] been first offered for sale in the European Union by the copyright holder or with his consent".[81] This finding is hardly compatible with the holding in *Allposters*, since the copying of the program onto a new material medium implies an act of reproduction, but it proves that the concepts of distribution and sale are to be interpreted

74 Case C-419/13 *Art & Allposters International BV v Stichting Pictoright*, ECLI:EU:C:2015:27.

75 *Ibid*., at [14].

76 *Ibid*., at [43].

77 *Ibid*., at [44]–[46].

78 *Ibid*., at [47]–[48].

79 See *UsedSoft* (*supra* fn 22), at [44], where the Court "observed that the downloading of a copy of a computer program and the conclusion of a user licence agreement for that copy form an indivisible whole. Downloading a copy of a computer program is pointless if the copy cannot be used by its possessor".

80 *Ranks* (*supra* fn 22), at [28].

81 *Ibid*., at [34].

differently in the contexts of CPD and ISD, respectively. Consistent with the *UsedSoft* decision, the CJEU found that Article 4(2) CPD "makes no distinction according to the tangible or intangible form of the copy in question".[82] Still, the Court held that only the copy downloaded on the non-original medium that replaced the seller's own copy was subject to exhaustion (and allowed for a new act of reproduction on the basis of Article 5(1) CPD), while a lawfully made back-up copy was not.[83]

If the case law of the CJEU now suggests that the term "copy" has a different meaning under CPD and ISD (and possibly also the other directives),[84] the question is still how to decide whether the copy that the reseller disposes is the same copy or a new copy. Any alteration of the copy after the sale or other transfer of ownership does certainly not suffice in order to exclude the application of the exhaustion rule under Article 4(2) ISD. Thus, the resale of a sculpture that has lost an arm or a leg after it was bought from the sculptor cannot conflict with the distribution right. In this situation the sculpture is still intact although it has been altered and no new reproduction has been made. It is possible that moral rights – which are not harmonized on an EU level – can be invoked in such situations, but the distribution right should not be applicable because of the exhaustion rule. The same should be the case for posters, pictures or paintings that are framed and resold with the frame.[85] A case for discussion is the *Poortvliet* case decided by the Dutch Supreme Court in the 1979. Here, a trader purchased calendars with pictures of famous paintings, cut the pictures from the calendars, put them in a frame with glass and sold the pictures on the open market. The Supreme Court decided in favor of the rightholder on grounds particular to Dutch law. In the *Allposters* case the rightholder organization invoked Poortvliet as a support for its position that the distribution right was not exhausted. It is, however, doubtful whether the ruling of the CJEU can justify this position since the purchaser in the latter hardly carried out an act of reproduction.[86] Arguments that the rightholder have not received 'appropriate reward' for the new use of the pictures also rest on dubious grounds from an economic perspective, not least due to transaction costs concerned with controlling every use of the sold copies.[87] The recent case before a Danish court, where an original painting was cut into pieces, which in their turn were inserted into wristwatches, seems in any case to be a clearer incident of a copyright infringement.[88]

82 *Ibid*., at [35].

83 *Ibid*., at [41]–[44].

84 As pointed out above, the CJEU in *VOB* (*supra* fn 52), held that the term "copy" had to be interpreted differently for the rental and the lending right in RLD, respectively. It can also be noted that in Case C-476/17, *Pelham GmbH, Moses Pelham, Martin Haas v. Ralf Hütter and Florian SchneiderEsleben*, ECLI:EU:C:2019:624, the Court held that "a phonogram which contains sound samples transferred from another phonogram does not constitute a 'copy', within the meaning of that provision, of that phonogram, since it does not reproduce all or a substantial part of that phonogram", with reference inter alia to the Geneva Convention for the Protection of Producers of Phonograms (1971). That provides for a quite special interpretation of the term 'copy' in that particular context.

85 Cf. Johathan Griffiths, "Exhaustion and the Alteration of Copyright Works in EU Copyright Law—(C-419/13) *Art & Allposters International BV v Stichting Pictoright*", 17 *ERA Forum*, 73–84 (2016), 80–81, who also discusses a number of similar cases.

86 See Bently et al. (*supra* fn 43), 151, who, however, suggest that the decisive criterion derived from *Allposters* should be whether the object in question has been transformed, and not whether there is an act of reproduction, leading to the result that Poortvliet should be decided in the same way as *Allposters*. See also Griffiths (*supra* fn 84), 80–81, who leaves the question open to discussion.

87 See Kerber (*supra* fn 69), 153–156.

88 Judgment of the Danish Maritime and Commercial Court (Sø- og handelsretten) of 2 December 2019, see the post on the IP-Kat blog on 6 December 2019, http://ipkitten.blogspot.com/2019/12/guest-post-when-you-own-artwork-you.html (last accessed 5 August 2020).

Sale/transfer criterion

Pursuant to all exhaustion rules in the secondary legislation, the distribution right is exhausted through the *sale* of copies. In Article 4(2) ISD this is extended also to other transfers of ownership, for example, gifts, dispositions by will or exchange. Although the other exhaustion provisions of the directives only mention sale, it is reasonable to presume that they include other transfer or ownership as well.[89] This is even more so since the CJEU in the free movement of goods cases has used the broader terms "put on the market" and "put into circulation" and the directives cannot provide for lesser extent of free movement than what follows from primary law.[90] The concept of sale in the CPD (Article 4(2)) includes the right to use the computer program for an unlimited period of time "in return for payment of a fee designed to enable the copyright holder to obtain a remuneration corresponding to the economic value of the copy of the work".[91] In other words, "sale" here include situations where the transfer of ownership to the copy is accompanied by a perpetual license to use. There are reasons to believe that the same applies also to the term "sale" in the other EU Directives, provided that the copies sold are fixed to tangible mediums. Online situations are discussed further below.

Otherwise, as pointed out above, the CJEU sees a correlation between the terms "transfer of ownership" in Article 4(1) and Article 4(2) ISD, so there is a presumption that "sale and other transfer of ownership" shall be interpreted in the same manner. However, the different function of the concept of distribution and the sale/transfer criterion implies that the latter requires a binding contract in order to trigger exhaustion. Only in this case has the rightholder exercised control of the marketing of the product.[92] This said, it is sufficient that the copies are sold to a third party, for example, an independent trader. In other words, it is not required that the copies are sold or transferred to an end user. The case law under the free movement of goods rules in Articles 30 and 36 TFEU indicates that also sales between subsidiaries within a company or corporation also may be considered as a "sale".[93] By analogy with trade mark exhaustion, a copyright holder's own import of goods from a third party into the EEA with a view of selling them here will, however, not constitute a "sale" as long as the rightholder in that case has not entered into a sales contract yet.[94]

Consent criterion

The consent criterion lies at the very core of the exhaustion rule. Its importance is reflected already in the early case law of the CJEU under the free movement of goods provisions. In

89 Similarly Michel M. Walter and Lutz Riede, in Walter/von Lewinski (eds.) (*supra* fn 25) 1008 (para. 11.4.49). More hesitant, Silke von Lewinski, in Walter/von Lewinsky (eds.), *op.cit*., 1485 (para. 16.0.52).

90 See above.

91 See *UsedSoft* (*supra* fn 22), at [49]; Ranks (*supra* fn 22), at [28].

92 *GEMA* (*supra* fn 9), at [13].

93 See Case 78/70, *Deutsche Grammophon* (*supra* fn 8), at [2], where the Court formulated the question in the case as to whether "a German undertaking manufacturing sound recordings may rely on its exclusive right of distribution to prohibit the marketing in the Federal Republic of Germany of sound recordings which it has itself supplied to its French subsidiary which, although independent at law, is wholly subordinate to it commercially", see also para. 4. The question was answered in the negative. Similar facts were also present in one of the cases in the GEMA decision (*supra* fn 9), but the decision is still based on the premise that "the sound recordings from other Member States had been manufactured and marketed in those Member States with the consent of the owner of the copyright in the musical works concerned" (at [2]).

94 Case C-16/03, *Peak Holding AB v Axolin-Elinor AB*, ECLI:EU:C:2004:759, at [41].

joined cases 55 and 57/80 (GEMA) the Court underscored the control aspect of the exclusive rights: «[w]hile the commercial exploitation of copyright is a source of remuneration for the owner it also constitutes a form of control on marketing exercisable by the owner, the copyright management societies acting in his name and the grantees of licences».[95] It follows from the context that consent is the way in which the rightholder exercises this control and that exhaustion is the consequence – "neither the copyright owner or his licensee, nor a copyright management society acting in the owner's or licensee's name, may rely on the exclusive exploitation right conferred by copyright to prevent or restrict the importation of sound recordings which have been lawfully marketed in another Member State by the owner himself or with his consent".[96] This statement also reflects the content of the consent criterion of the various directives, as all of them use the phrase "[sold] by the rightholder or with his consent". This means indeed any sale (or transfer) carried out by the original author or right owner, a transferee, licensee, collective management organization or other entity deriving its right on consent. However, copies sold on the basis of compulsory license, or even an extended collective license, will not qualify for exhaustion.[97] Consent does not necessarily mean express consent,[98] but is, in line with the CJEU's holding in trade mark cases, likely to imply that the copyright holder has renounced its intention to enforce his exclusive rights.[99]

One point for discussion are first sales or transfers that conflict with conditions or terms in the contract with the original rightholder.[100] Are these to be considered as carried out with the consent of the rightholder? By analogy with trade mark law, and the CJEU decision in C-59/08 (*Copad*), it is possible to claim that this depends on the nature of the contract clauses subject to the breach.[101] Nevertheless, the CJEU held in C-666/18 (*IT Development*) that breach of clauses in software license agreements fell within the concept of 'infringement of intellectual property rights' in the Enforcement Directive (2004/48/EC).[102] This may, however, also imply a distinction between breach of clauses that constitute IP infringements and breach of clauses that only are breaches of contract. In any case, breach of clauses that constitute IP infringements, for example limitations of duration, scope and territory regarding the first sale of the copies, are likely to affect the question of whether they are sold with the consent of the rightholder if the contract terms are breached. There is, however, no explicit decision from the CJEU on the matter in the copyright context yet.

95 *GEMA* (*supra* fn. 9), at [13]. See also case C-419/13, *Allposters* (supra fn 73), at [37].

96 *GEMA* (*supra* fn. 9), at [15].

97 Cf Case 19/84, *Pharmon BV v Hoechst AG*, ECLI:EU:C:1985:304, on patents. In the case of extended collective licenses (see Articles 8 and 12 of Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125), it lies in the very nature of this right clearance model that the rightholder who is not represented by the collective management organization has not consented to the use of her work *prior to* the use.

98 See Case C-301/15, *Marc Soulier and Sara Doke v Premier ministre,Ministre de la Culture et de la Communication,* ECLI:EU:C:2016:878, at [35] and [37].

99 Case C-414/99, *Zino Davidoff SA v A & G Imports Ltd and Levi Strauss & Co. and Others v Tesco Stores Ltd and Others*, ECLI:EU:C:2001:617, at [53].

100 See Walter/von Lewinski (*supra* fn 25), 999 (para. 11.4.22). See also Ansgar Ohly, "Economic Rights", in Estelle Derclaye (ed.), *Research Handbook on the Future of EU Copyright*, Cheltenham; Northampton, MA: Edward Elgar (2009), 212–241, 229, for a couple of examples.

101 Case C-59/08, *Copad SA v Christian Dior couture SA, Vincent Gladel and Société industrielle lingerie*, ECLI:EU:C:2009:260, at [47] et seq.

102 Case C-666/18, *IT Development SAS v. Free Mobile SAS*, ECLI:EU:C:2019:1099.

Mandatory character

Even though the impact of contractual restrictions on the first sale is yet an unresolved issue, it is clear that breaches of contractual restrictions on *resales* will not constitute copyright infringement. The effect of exhaustion is that the distribution right does not apply to the redistribution of copies as long as the conditions for exhaustion are satisfied, and contractual obligations do nothing to change that.

The question is still whether the purchaser of the copy is *contractually bound* by the obligation, or whether the exhaustion rule implies that such obligations are null and void. The statements of the CJEU in C-128/11 (*UsedSoft*) and C-166/15 (*Ranks*) may suggest the latter as far as the CPD is concerned. In *UsedSoft*, the CJEU stated that it followed "by virtue of [Article 4(2) of the Directive] and notwithstanding the existence of contractual terms prohibiting the further transfer, [that] the rightholder in question can no longer oppose the resale of that copy".[103] Similarly, in *Ranks* the Court held that "a material medium, such as a CD-ROM or a DVD-ROM, accompanied by an unlimited license for the use of that program, can no longer oppose the resale of that copy by the initial acquirer or subsequent acquirers of that copy, notwithstanding the existence of contractual terms prohibiting any further transfer".[104] The wording "can no longer oppose", indicates that the rightholder has no claim whatsoever, not even on contractual ground. If so, this has serious consequences for rightholders' possibilities of imposing price discrimination on secondary markets. Possibly the same applies also to the exhaustion rules of the other directives, although the ruling in C-16/03 (*Peak Holding*) may suggest that trade mark exhaustion does not affect the *inter partes* relation. Here, the Court held that "any stipulation, in the act of sale […] on the right to resell the goods concerns only the relations between the parties to that act".[105] Even though the CJEU does not explicitly confirm that breaches of a resale ban may trigger contractual sanctions, it may follow implicit from that statement. That could serve as an argument in favor of accepting that a resale ban is contractually valid, also under the copyright directives, along with economic arguments of possibilities of price discrimination, but the phrasing of *UsedSoft* and *Ranks* suggest the opposite, at least for the CPD.

Application to the online context

As discussed above, the case law of the CJEU suggests a differentiated approach to the application of the distribution right to the online context, dependent on the kind of works that are incorporated in the "copies". This implies a different approach also with regard to the application of the exhaustion rule. We will discuss this application as regards computer programs, before going into the parallel discussion for other kinds of works and subject matters.

In C-128/11 (*UsedSoft*), the CJEU found that a license agreement for online access and permanent download of computer programs constituted a sale of a copy of the computer program pursuant to Article 4(2) CPD. The Court explicitly held that it made "no difference […] whether the copy of the computer program was made available to the customer by the rightholder concerned by means of a download from the rightholder's website or by means of a material medium such as a CDROM or DVD". The downloading of the copy and the conclusion of a license agreement for that copy constituted "an indivisible whole" and involved the transfer of ownership of the

103 *UsedSoft* (*supra* fn. 22), at [77].
104 *Ranks* (*supra* fn. 22), at [30].
105 *Peak Holding* (*supra* fn 92), at [54].

copy. Hence, the term "sale" in Article 4(2) CPD was to be interpreted broadly as to encompass "all forms of product marketing characterized by the grant of right to use a copy of a computer program for an unlimited period, in return for payment of a fee designated to enable the copyright holder to obtain a remuneration corresponding to the economic value of the copy".[106] Here the Court distinguished the legal situation under the CPD and legal sources for interpretation of Article 4(2) ISD and emphasized the former's status of *lex specialis*. Moreover, the Court reiterated the exhaustion rationale implicit in the "appropriate remuneration" doctrine and concluded that the copyright holders' control of the resale of copies downloaded from the internet "would go beyond what is necessary to safeguard the specific subject-matter of the intellectual property concerned".[107] Three main conditions were set up for the exhaustion to apply: (i) the software is made available (with the consent of the rightholder) for download without time restrictions; (ii) the first acquirer makes his or her own (downloaded) copy unusable at the time of the resale and (iii) the first acquirer transfers his or her license to use entirely to the second acquirer. Under these circumstances the second acquirer would be considered as a 'lawful acquirer' pursuant to Article 5(1) CPD and his download would consequently a permitted act of reproduction under this provision.[108]

The rationale of the *UsedSoft* case, including the 'appropriate reward' argument, was not followed up in C-263/18 (*Tom Kabinet*) regarding the online resale of e-books, although the basic conditions for permitting the resale in the former were met in the latter. Here, the e-books were made available with the consent of the rightholder for download without time restrictions, the first acquirer made her downloaded copy unusable at the time of the resale, and the first acquirer transferred her license to use to the second acquirer. These conditions were, however, not considered as relevant to the online resale of e-books. The formal arguments of the CJEU relate to the alleged different legal regulation in the CPD and the ISD, respectively. This led the Court to conclude that the supply of the e-book for downloading is an act of communication to the public and not an act of distribution (above).[109] The reasoning included Recitals 28 and 29 which "state, respectively, that […] [the distribution] right includes the exclusive right to control 'distribution of the work incorporated in a tangible article' and that the question of exhaustion of the right does not arise in the case of services and online services, in particular, if being made clear that unlike CD-ROM or CD-I, where the intellectual property is incorporated in a material medium, namely an item of goods, every online-service is in fact an act which should be subject to authorization where the copyright or related right so provides".[110] The 'non-exhaustion' rule in Article 3(3) ISD, stating that the communication to the public right in Article 3(3) shall not be exhausted by any act of communication to the public, is part of the picture here. Since the CPD does not provide for a communication to the public right and this Directive is *lex specialis* to the ISD, the formal argument of the CJEU is that the distribution right and its exhaustion applies to downloading services in the CPD, but not the ISD, where the situation is regulated by the communication to the public right.

The 'real' argument, meant to support that finding, is that the sale of a computer program and sale of books are not "equivalent from an economic and functional point of view". Functional equivalence exists, according to the CJEU, between the sale of a computer program on a material medium and the sale by downloading from the internet. This justifies the equal

106 *UsedSoft* (*supra* fn 22), at [49].
107 *Ibid*., at [62].
108 *UsedSoft* (*supra* fn 22), at [80]–[81].
109 *Tom Kabinet*, (*supra* fn 55), at [52]–[56].
110 *Ibid*., at [51].

treatment of the two methods of transmission. The supply of a book on a material medium and the supply of an e-book cannot, however, "be considered equivalent from an economic and functional point of view". Here, the Court emphasized, in line with the Advocate General's Opinion, that "dematerialized digital copies, unlike books on a material medium, do not deteriorate with use, and used copies are therefore perfect substitutes for new copies".[111] In addition, the Court puts forward the "free rider argument" implicit in the lack of additional effort and cost on part of the reseller of digital copies.

There is much to say about these arguments, but that has to be left for another day.[112] One observation, however, is that although the formal arguments of the CJEU seem to have bearing on all kinds of works (save computer programs) the 'real' arguments do not necessarily so. This leaves us with the question whether the reasoning of the Court compels the same result for all kinds of works or whether there is room for coming to different conclusions. Here one should be reminded about the very basis for the development of the exhaustion doctrine in EU law implicit in the free movement rules and the fact that the directives cannot justify obstacles to the free movement save within the bounds set by the Treaty. This gives some leeway to the Court to come to differentiated solutions, for example, based on the 'appropriate reward rationale', including to introduce different views on the dogma expressed in Recital 29 ISD that "the question of exhaustion does not arise in the case of services".[113] Also, implied consent solutions may be possible in this field.[114] On the other hand, it has to be noted that the effects of exhaustion in the online context can be overridden by business models, including the use of technical protection measures.

Conclusion

The distribution right and its exhaustion are designed for the sale of tangible copies. The case law of the CJEU reveals a concept of distribution that is wide in certain respects, narrower than expected in others and highly ambiguous when it comes to applying it to the online context. The ambiguity is caused by the exhaustion rule which application to online transmissions and download services has been highly controversial. The hitherto approach of the CJEU to distinguish between computer programs and other kinds of works and treat the lending right as a case aside is to a large extent based on formalistic legal arguments and is not necessarily consistent. Still, it should not be forgotten that solutions designed for the physical and analogue world are not necessarily transferrable to the digital context. Future copyright legislation may be better off abandoning the strict categories and focusing more on the effect of the acts of exploitation.[115] In any case, this contribution is also to serve as a reminder that there still is a physical world out there, even in the field of copyright, although it can be maintained that "we are all becoming digital slaves for the sake of convenience".[116]

111 *Ibid*., at [51] and [52]–[56].

112 For critical remarks, see, for example, Mezei, "The Doctrine of Exhaustion in Limbo" (*supra* fn 21); Ansgar Kaiser, "Exhaustion, Distribution and Communication to the Public. – Tom Kabinet on E-books and Beyond", 69 *GRUR Int*. (2020), 489–495.

113 See Joined Cases 403/08 and 429/08, *Premier League* (*supra* fn 68), at [108] ff, cf. Rognstad (fn. 21 *supra*), 13–16.

114 See Hilty (*supra* fn 21), 72 ff.

115 Se, for example, Ole-Andreas Rognstad, "Restructuring the Economic Rights in Copyright – Some Reflections on an Alternative Model", 62 *Journal of the Copyright Society USA* (2015), 503–544; Chs. 3–7 in Hugenholtz (ed.), *Copyright Reconstructed*; Daniel J. Gervais, *(Re)structuring Copyright – A Comprehensive Path to International Copyright Reform*, Cheltenham; Northampton, MA: Edward Elgar (2019).

116 Cited from the headline of an article by Tom Hoggins in *The Telegraph*, 14 January 2020.

References

Bently, Lionel, "Directive 91/250/EEC – Directive on the Legal Protection of Computer Programs", in Thomas Dreier and Bernt Hugenholtz (eds.), *Concise European Copyright Law*, Aalphen an den Rijn: Kluwer (2006), 211–238.

Bently, Lionel, Dev Gangjee, Brad Sherman, Phillip Johnson, *Intellectual Property Law*, 5th ed., Oxford: Oxford University Press (2018), doi:10.1093/he/9780198769958.001.000

Geiregat, Simon, "Digital Exhaustion of Copyright after CJEU Judgment in Ranks and Vasilevics", 33 *Computer Law & Security Review* (2017), 521–540.

Gervais, Daniel J., *(Re)structuring Copyright – A Comprehensive Path to International Copyright Reform*, Cheltenham; Northampton, MA: Edward Elgar (2019).

Griffiths, Jonathan, Exhaustion and the Alteration of Copyright Works in EU Copyright Law—(C-419/13) *Art & Allposters International BV v Stichting Pictoright,* 17 *ERA Forum*, 73–84 (2016), doi:10.1007/s12027-016-0414-7

Hugenholtz, P. Bernt (ed.), *Copyright Reconstructed. Rethinking Copyright's Economic Rights in a Time of Highly Dynamic Technological and Economic Change*, Alphen and den Rijn: Kluwer (2018).

Hilty, Reto, "Exhaustion in the Digital Age", in Irene Calboli and Edward Lee (eds.), *Research Handbook on Intellectual Exhaustion and Parallel Imports*, Cheltenham; Northampton, MA: Edward Elgar Publishing (2016), 64–82.

Kaiser, Ansgar "Exhaustion, Distribution and Communication to the Public. – Tom Kabinet on E-books and Beyond", 69 *GRUR Int.* (2020), 489–495.

Kerber, Wolfgang, "Exhaustion of Digital Goods: An Economic Perspective", *Zeitschrift für Geistiges Eigentum / Intellectual Property Journal* (2016), 149–169, doi:10.1628/186723716X14652041936116

Kohler, Josef, *Das Autorrecht, eine zivilistische Abhandling*, Jena: Verlag Gustav Fischer (1880).

Kohler, Josef, "Verbreitung von Schriftwerken", *Archiv für zivilistiche Praxis* (1896).

Kohler, Josef, *Urheberrecht an Schriftwerken und Verlagsrecht*, Stuttgart: Verlag von Ferdinand Enke (1907), newprint Aalen: Scientia Verlag (1980).

Lee, Yin Harn, '"UsedSoft GmbH v. Oracle International Corp" (Case C-128/11) – Sales of "Used" Software and the Principle of Exhaustion" 43 *IIC* (2012), 846–853.

Mezei, Péter, *Copyright Exhaustion: Law and Policy in the United States and the European Union*, Cambridge: Cambridge University Press (2018), doi: 10.1017/9781108135290

Mezei, Péter, "Digital First Sale Doctrine Ante Portas. Exhaustion in the Online Environment", 6 *JIPITEC* (2018), 23–71.

Mezei, Péter, "The Doctrine of Exhaustion in Limbo – Critical Remarks on the Tom Kabinet Ruling", *Jagiellonian Intellectual Property Law Review* (2020/2), forthcoming, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3560138 (last accessed 5 August 2020), doi.org/10.2139/ssrn.3560138

Ohly Ansgar, "The Economic Rights", in Estelle Derclaye (ed.), *Research Handbook on the Future of EU Copyright*, Cheltenham; Northampton, MA: Edward Elgar (2009), 212–241.

Oprysk, Liliia, *Reconciling the Material and Immaterial Dissemination Rights in the Light of the Development under the EU Copyright Acquis*, Tartu: University of Tartu Press (2020).

Poort, Joost, "Borderlines of Copyright Protection: An Economic Analysis", in P. Bernt Hugenholtz (ed.), *Copyright Reconstructed. Rethinking Copyright's Economic Rights in a Time of Highly Dynamic Technological and Economic Change*, Alphen and den Rijn: Kluwer (2018), 283–331.

Rognstad, Ole-Andreas, "Legally Flawed but Politically Sound? Digital Exhaustion of Copyright in Europe After UsedSoft", 1 *Oslo Law Review* (2014), 1–19.

Rognstad, Ole-Andreas, "Restructuring the Economic Rights in Copyright – Some Reflections on an Alternative Model", 62 *Journal of the Copyright Society USA* (2015), 503–544.

Rognstad, Ole-Andreas, "Article 65(2). Intellectual Property Rights", in Finn Arnesen et al. (eds.), *Agreement on the European Economic Area. A Commentary*, Baden Baden: C.H Beck.Hart.Nomos/Universitetsforlaget (2018), 641–659.

Rognstad, Ole-Andreas and Joost Poort, "The Right to Reasonable Explotation Concretized", in P. Bernt Hugenholtz (ed.), *Copyright Reconstructed. Rethinking Copyright's Economic Rights in a Time of Highly Dynamic Technological and Economic Change*, Alphen and den Rijn: Kluwer (2018), 121–161.

Sganga, Caterina, "A Plea for Digital Exhaustion in EU Copyright Law", 9 *JIPITEC* (2018), 211–239.
Tai, Eric Tjong Tijn, "Exhaustion and Online Delivery of Digital Works", 25 *EIPR* (2003), 207–211.
Walter, Michel M., Silke von Lewinski (eds.), *European Copyright Law – A Commentary*, Oxford: Oxford University Press (2010).
Westkamp, Guido, "Emerging Escape Clauses? Online Exhaustion, Consent and European Copyright Law", in Jan Rosén (ed.), *Intellectual Property at the Crossroads of Trade,* Cheltenham; Northampton, MA: Edward Elgar (2012), 38–66.
Wiebe, Andreas, "The Principle of Exhaustion and the Distinction between Digital Goods and Digital Services", 58 *GRUR Int.* (2009), 114–118.

Case law (CJEU)

Case 78/70, *Deutsche Grammophon Gesellschaft v. Metro-SB Großmarkte GmbH & Co.*, ECLI:EU:C:1971:59.
Case 15/74, *Centrafarm BV and Adriaan de Peijper v Sterling Drug Inc.*, ECLI:EU:C:1974:114.
Case 262/81 *SA Compagnie générale pour la diffusion de la télévision, Coditel, and others v Ciné Vog Films and others* (*Coditel I*), ECLI:EU:C:1980:84.
Case 181/80, *Dansk Supermarked AS v.AS Imerco*, ECLI:EU:C:1981:17.
Case 187/80 *Merck & Co. Inc. v Stephar BV and Petrus Stephanus Exler*, ECLI:EU:C:1981:180.
Case 19/84, *Pharmon BV v Hoechst AG*, ECLI:EU:C:1985:304.
Case 158/86, *Warner Brothers Inc. and Metronome Video ApS v Erik Viuff Christiansen*, ECLI:EU:C:1988:242.
Case C-427/93, *Bristol Myers Squibb v. Paranova A/S*, ECLI:EU:C:1996:282.
Case C-61/97, *Egmont Film A/S et al. v, Laserdisken*, ECLI:EU:C:1998:422.
Case C-200/96, *Metronome Music GmbH v. Music Point Hokamp GmbH*, ECLI:EU:C:1998:172.
Case C-414/99, *Zino Davidoff SA v A & G Imports Ltd and Levi Strauss & Co. and Others v Tesco Stores Ltd and Others*, ECLI:EU:C:2001:617.
Case C-16/03, *Peak Holding AB v Axolin-Elinor AB*, ECLI:EU:C:2004:759.
Case C-479/04, *Laserdisken ApS v Kulturministeriet*, ECLI:EU:C:2006:549.
Case C-456/06, *Peek & Cloppenburg KG v Cassina SpA*, ECLI:EU:C:2008:232.
Case C-59/08, *Copad SA v Christian Dior couture SA, Vincent Gladel and Société industrielle lingerie*, ECLI:EU:C:2009:260.
Case C-283/10, *Circul Globus Bucureşti (Circ & Variete Globus Bucureşti) v. Uniunea Compozitorilor şi Muzicologilor din România – Asociaţia pentru Drepturi de Autor (UCMR – ADA)*, ECLI:EU:C:2011:772.
Case C-5/11, *Criminal Proceedings against Titus Alexander Jochen Donner*, ECLI:EU:C:2012:370.
Case C-128/11, *UsedSoft GmbH v Oracle International Corp.*, ECLI:EU:C:2012:407.
Case C-135/10, *Società Consortile Fonografici (SCF) v. Marco Del Corso,* ECLI:EU:C:2012:140.
Case C-162/10, *Phonographic Performance (Ireland) Limited v Ireland and Attorney General*, ECLI:EU:C:2012:141.
Case C-98/13, *Martin Blomqvist v Rolex SA and Manufacture des Montres Rolex SA*, ECLI:EU:C:2014:55.
Case C-466/12, *Nils Svensson and Others v Retriever Sverige AB*, ECLI:EU:C:2014:76.
Case C-279/13, *C More Entertainment AB v Linus Sandberg*, ECLI:EU:C:2015:199.
Case C-419/13 *Art & Allposters International BV v Stichting Pictoright*, ECLI:EU:C:2015:27.
Case C-516/13, *Dimensione Direct Sales srl and Michele Labianca v Knoll International Spa*, ECLI:EU:C:2015:315.
Case C-117/15, *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v. GEMA*, ECLI:EU:C:2016:379.
Case C-166/15, *Aleksandrs Ranks and Jurijs Vasiļevičs v Finanšu un ekonomisko noziegumu izmeklēšanas prokoratūra and Microsoft Corp.*, ECLI:EU:C:2016:762.
Case C-174/15, *Vereniging Openbare Bibliotheken v Stichting Leenrecht*, ECLI:EU:C:2016:856.
Case C-301/15, *Marc Soulier and Sara Doke v Premier ministre, Ministre de la Culture et de la Communication,* ECLI:EU:C:2016:878.
Case C-572/17, *Criminal proceedings against Imran Syed*, ECLI:EU:C:2018:1033.
Case C-263/18, *Nederlands Uitgeversverbond and Groep Algemene Uitgevers v Tom Kabinet Internet BV and Others*, ECLI:EU:C:2019:697.
Case C-469/17, *Funke Medien NRW GmbH v. Bundesrepublik Deutschland*, ECLI:EU:C:2019:623.
Case C-476/17, *Pelham GmbH, Moses Pelham, Martin Haas v. Ralf Hütter and Florian SchneiderEsleben*, ECLI:EU:C:2019:624.

Joined Cases 55/80 and 57/80, *Musik-Vertrieb Membran and K-Tel International v. GEMA,* ECLI:EU:C:1981:10.
Joined Cases C-403/08 and C-429/08, *Football Association Premier League Ltd and Others v QC Leisure and Others* and *Karen Murphy v Media Protection Services Ltd*, ECLI:EU:C:2011:631.
Case C-666/18, *IT Development SAS v. Free Mobile SAS*, ECLI:EU:C:2019:1099.
Case C-637/19, *BY v. CX,* ECLI:EU:C:2020:863.

9

THE EU RIGHT OF COMMUNICATION TO THE PUBLIC – STILL LOOKING FOR A GOOD LINK

*Justin Koo**

Abstract

The EU right of communication to the public continues to be a controversial topic. Despite the benefit of over 20 decisions since 2006, certainty and predictability continue to be elusive. Understanding the EU communication to the public right has been equivalent to finding a good quality stream on a hyperlink aggregator like 'firstrowsports'. At the best of times, you get a dodgy link to illegitimate content. As such, this chapter sets out to outline the current test used to determine infringement of the communication to the public right; discuss the context in which communication to the public decisions are decided; highlight the main problems with the right and argue why the Court of Justice of the European Union (CJEU) is still getting it wrong; and finally, analyze how the four pending (at the time of writing) referrals focusing on the application of the communication to the public right are likely to be treated by the CJEU.

Contents

Abstract 173
Introduction 174
The current test 174
From *Rafael Hoteles* to *STIM and SAMI* – Background to the development of the communication to the public right 174
Elements of the test 177
(Step 1) 'Communication' 177
(Step 2) 'Public' 177
(Step 3) 'Different technical means' 178
(Step 4) 'New public' 178
(Step 5) 'Knowledge' 178
(Step 5 ½) 'For profit' 179
The test 179
Still getting it wrong 179
Context 180

* The Author wishes to thank Dr Emma Perot for her comments on the draft version of this chapter.

High level of protection and broad interpretation 180
Judicial activism 181
Ignoring the dissemination function of copyright law 182
Implications of choosing the wrong criteria 184
Asking and answering the wrong questions 185
Predicting the pending cases 186
Joined Cases C-682/18 and C-683/18 *Peterson v YouTube* and *Elsevier v Cyando* and Case C-500/19 *Puls 4 v YouTube* 187
Case C-442/19 *Stichting Brein v News Service* 188
Case C-597/19 *MICM v Telenet* 189
Conclusion 190
References 190
Case law 191

Introduction

The development of the EU right of communication to the public has been ongoing since 2006. The right has gone through many evolutions with its application to different technologies, the addition of new criteria, and conflict.[1] Despite the benefit of several years, inclusive of over 20 decided cases, the Court of Justice of the European Union (CJEU) continues to struggle with the concept of 'communication to the public'. The state of the law is as clear as the average stream obtained via a hyperlink that was aggregated by an injuncted website like 'firstrowsports': dodgy. Consequently, this chapter will outline the current test used to determine infringement of the communication to the public right; discuss the context in which communication to the public decisions are decided; highlight the main problems with the right and argue why the CJEU is still getting it wrong; and finally, analyze how the four pending (at the time of writing) referrals focusing on the application of the communication to the public right are likely to be treated by the CJEU.

The current test

From Rafael Hoteles *to* STIM and SAMI – *Background to the development of the communication to the public right*

The test for establishing an infringement of the communication to the public right has been incrementally construed through the decisions of the CJEU. The development of the right was done in two main phases, which are easily demarcated as pre-*Svensson*[2] and post-*Svensson*. The core of the test for communication to the public was established in the first case to substantively address the right of communication to the public: *SGAE v Rafael Hoteles*.[3]

1 The conflict stems from the CJEU's controversial choice, interpretation and application of key criteria used for determining 'communication to the public'. Notably, the inclusion of the 'new public' criterion created the practical problem of exhaustion of the right, which necessitated the inclusion of the 'knowledge' criterion. In turn, the 'knowledge' criterion led to theoretical conflict with the strict liability nature of copyright law and moreover, the practical problem of conflation with secondary liability.

2 Case C-466/12 *Svensson and others v Retriever Sverige AB* [2014] ECLI:EU:C:2014:76.

3 Case C-306/05 *Sociedad General de Autores y Editores de España (SGAE) v Rafael Hoteles SA* [2006] ECLI:EU:C:2006:764.

Here it was established that the act of 'communication to the public' involves three core criteria, a 'communication' made to a 'public' and, where the act is a retransmission or reception in public, there must be a 'new public'. In addition to these criteria, *SGAE v Rafael Hoteles* also established key interpretive elements for the application of the right. The right should be interpreted and applied consistently across Member States,[4] interpreted in line with international copyright treaties,[5] and be construed broadly so as to establish a high level of protection for rightholders.[6]

Subsequent to *SGAE v Rafael Hoteles*, referrals involving different types of technologies and/or uses necessitated clarifications and additions to the initial test for communication to the public. The most important cases in this regard are *FAPL v QC Leisure*,[7] *SCF v Marco del Corso*,[8] *ITV v TVCatchup*,[9] *Svensson*, *GS Media*,[10] *Filmspeler*,[11] and *Ziggo*.[12] Consequently, this chapter focuses on these cases for the purpose of outlining what the current test for communication to the public is.[13] *FAPL v QC Leisure* was the first case to expressly define 'communication' and moreover confirmed the scope of the concept of 'communication'.[14] Similarly, *SCF v Marco del Corso* articulated the current approach to 'public'.[15] In terms of additions to the core criteria laid down in *SGAE v Rafael Hoteles*, *ITV v TVCatchup* was the first case to make a substantive addition to the test. In *ITV v TVCatchup*, it was held that where a communication is made by a 'different technical means' to the original communication, there is no need to establish a 'new public'.[16]

After the introduction of the 'different technical means' criterion, CJEU case law on communication to the public progressed into its second phase of development: post-*Svensson*. Two cases taken together, *Svensson* and *GS Media*, marked a notable turning point in the saga of the communication to the public right. The post-*Svensson* phase is of critical importance because it involved a shift away from analogue issues involving traditional forms of dissemination that were governed by the long-standing rules and logic of Article 11*bis* of the Berne Convention.[17] Instead, attention turned to on demand technologies that invoked the making available aspect of the communication to the public right. Therefore, the obligations under Article 8 of the World Intellectual Property Organization (WIPO) Copyright Treaty 1996 came into focus.

The CJEU's response to the difference in technological issues was arguably more controversial than the introduction of the 'new public' criterion in the initial test for communication

4 *Ibid*., at [31].
5 *Ibid*., at [35].
6 *Ibid*., at [36].
7 Cases C-403/08 and C-429/08 *Football Association Premier League (FAPL) and others v QC Leisure and others and Karen Murphy v Media Protection Services Ltd* [2011] ECLI:EU:C:2011:631.
8 Case C-135/10 *Societa Consortile Fonografici (SCF) v Marco del Corso* [2012] ECLI:EU:C:2012:140.
9 Case C-607/11 *ITV Broadcasting Ltd and others v TVCatchup Ltd* [2013] ECLI:EU:C:2013:147.
10 Case C-160/15 *GS Media BV v Sanoma Media Netherlands BV and others* [2016] ECLI:EU:C:2016:644.
11 Case C-527/15 *Stichting Brein v Jack Frederik Wullems (also trading under the name Filmspeler)* [2017] ECLI:EU:C:2017:300.
12 Case C-610/15 *Stichting Brein v Ziggo BV and XS4All Internet BV* [2017] ECLI:EU:C:2017:456.
13 For a more in-depth discussion of the development of the EU communication to the public right, see J Koo, *The Right of Communication to the Public in EU Copyright Law* (Hart Publishing 2019).
14 *FAPL v QC Leisure* [2012], at [193]–[194].
15 *SCF v Marco Del Corso* [2013], at [84]–[86].
16 *ITV v TVCatchup* [2013], at [26] and [39].
17 It should be noted that despite *ITV v TVCatchup* involving the near-simultaneous streaming of television broadcasts on the internet, the issue in that case should be categorized as a traditional act of retransmission. In other words, it did not involve the making available aspect given that the streams were not on demand.

to the public. In *Svensson*, the CJEU exacerbated the inherent problems with the 'new public' criterion by holding that hyperlinking to a freely available work on the internet was not an act of 'communication to the public' because there was no 'new public'. This decision was reached after making the assumption that the act of hyperlinking amounted to a 'communication'.[18] However, because the work was already freely accessible to all users with an internet connection, the specific act of hyperlinking did not make the work available to an additional group of persons, who were not contemplated by the rightholder at the time of making the original communication (upload of the work).[19] This aspect of the *Svensson* decision set the course for the controversy that arose in *GS Media*, which was unfortunately perpetuated in *Filmspeler* and *Ziggo*, and is awaiting further discussion in the pending referrals.

GS Media introduced the new 'knowledge' requirement for establishing an act of communication to the public.[20] This was the most significant development to the test for communication to the public since the introduction of the 'new public' criterion in *SGAE v Rafael Hoteles*.[21] It can be argued that the 'knowledge' criterion was the direct response to the conundrum created in *Svensson* where the interpretation applied to the 'new public' criterion resulted in exhaustion of the communication to the public right, contrary to Article 3(3) of the InfoSoc Directive.[22] Therefore, for an act of communication to the public to be actionable, the person making the 'communication' must have done so with 'actual or presumed knowledge'. Moreover, it is necessary to state that the concept of 'presumed knowledge' includes a 'for profit' element whereby a communication involving a profit element creates a rebuttable presumption of 'knowledge'.[23] On the contrary, where an act is not done 'for profit', the rebuttable presumption is that the person making the communication does not know and cannot reasonably know whether the work was published with consent.[24]

In the aftermath of *GS Media*, the cases of *Filmspeler* and *Ziggo* further demonstrated the problems with the interpretation, scope, and application of the current test for communication to the public. In particular, these three cases illustrated the overbroad expansion of the right of communication to the public, the conflation of primary infringement with secondary liability, and the unrestricted judicial activism that facilitated the incoherent harmonization of EU copyright law through the backdoor. These issues now form the basis of Joined Cases C-682/18 and C-683/18. The Opinion of Advocate General (AG) Saugmandsgaard ØE directly addressed the extent to which operators of platforms are responsible for acts of 'communication to the public' and whether the right of communication to the public should be expanded to include acts where the operator has knowledge.[25]

18 *Svensson* [2014] at [18].

19 *Ibid*., at [22]–[28].

20 *GS Media* [2016], at [47]–[51].

21 Ginsburg argued that the new found reliance on 'knowledge' post-*GS Media* creates doubt about the relevance of the 'new public' criterion: J Ginsburg, 'The Court of Justice of the European Union an EU Law of Liability for Facilitation of Copyright Infringement: Observations on *Brein v. Filmspeler* [C527/15] (2017) and *Brein v. Ziggo* [C-610/15] (2017)' (2017) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3024302> (last accessed 19 August 2020) 9.

22 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information OJ L 167/10 and *Svensson* [2014] at [30].

23 *GS Media* [2016], at [51].

24 *Ibid*., at [47].

25 Joined Cases C-682/18 and C-683/18 *Frank Peterson v Google LLC, YouTube LLC, YouTube Inc, Google Germany GmbH and Elsevier Inc v Cyando AG* [2020] Opinion of AG Saugmandsgaard ØE ECLI:EU:C:2020:586, at [63]–[131].

Elements of the test

(Step 1) 'Communication'

Following *FAPL v QC Leisure*, the term 'communication' can be interpreted in terms of the transmission approach or the access approach. The transmission approach refers to 'any transmission of the protected works, irrespective of the technical means or process used'.[26] This requires an actual provision of the work to the recipient and can be described as the traditional approach to 'communication', which developed in relation to analogue communication technologies like broadcasting and cable transmission. Alternatively, the access approach dictates a situation where the user 'intervenes in full knowledge of the consequences of his action to give his customers access to a protected work'.[27] This approach is wider than the transmission approach because it does not require an actual provision of the work, but merely the allowance of the possibility to receive the work. In the pre-*Svensson* stage, there was uncertainty as to whether the transmission or access approach should be applied to the EU right of communication to the public. With the exception of a few cases, the access approach seemed to be preferred.[28] Post-*Svensson*, it seemingly became clear that the access approach was preferred for addressing situations involving the making available aspect. In other words, situations involving on demand technologies would require the access approach.[29] However, the recent Opinion of AG Saugmandsgaard ØE utilized the transmission approach in interpreting 'communication'.[30]

(Step 2) 'Public'

The term 'public' is defined as a 'fairly large and indeterminate number of persons'.[31] The concept of 'public' as applied in the online context must account for the number of persons who may have access to the work, whether simultaneously or in succession. Where there is a substantial number of persons that can access a work, a 'public' will be established.[32] It

26 *FAPL v QC Leisure* [2011], at [193].

27 *Ibid*., at [194].

28 Of the twenty-five decided cases so far concerning communication to the public, only the following nine cases employed the transmission approach: *FAPL v QC Leisure* [2011], at [193]; Case C-283/10 *Circul Globus Bucureşti (Circ & Variete Globus Bucureşti) v Uniunea Compozitorilor şi Muzicologilor din România – Asociaţia pentru Drepturi de Autor (UCMR – ADA)* [2011] ECLI:EU:C:2011:772, at [40]; *ITV v TVCatchup* [2013] at [23]; Case C-351/12 *Ochranný svaz autorský pro práva k dílům hudebním os (OSA) v Léčebné lázně Mariánské Lázně as* [2014] ECLI:EU:C:2014:110, at [25]; Case C-151/15 *Portugese Society of Authors CRL (SPA) v Ministerio Público and others* [2015] ECLI:EU:C:2015:468, at [11]; Case C-325/14 *SBS Belgium NV v Belgische Vereniging van Auteurs, Componisten en Uitgevers (SABAM)* [2016] ECLI:EU:C:2015:764, at [16]; Case C-117/15 *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte eV (GEMA)* [2016] ECLI:EU:C:2016:379, at [38]; Case C-265/16 *VCAST Ltd v RTI SpA* [2017] ECLI:EU:C:2017:913, at [42]; and Case C-263/18 *Nederlands Uitgeversverbond and Groep Algemene Uitgevers v Tom Kabinet Internet BV, Tom Kabinet Holding BV and Tom Kabinet Uitgeverij BV* [2019] ECLI:EU:C:2019:1111, at [62] (the same error was committed by AG Campos Sánchez-Bordona who also referred to the transmission approach in relation to the act of making available in Case C-161/17 *Land Nordrhein-Westfalen v Dirk Renckhoff* [2018] Opinion of AG Campos Sánchez-Bordona ECLI:EU:C:2018:279, at [60] and [62]).

29 *Svensson* [2014], at [19]; *GS Media* [2016], at [35]; *Filmspeler* [2017], at [31]; and *Ziggo* [2017], at [26].

30 *Peterson v Google* [2020] Opinion of AG Saugmandsgaard ØE, at [56]–[62].

31 *SCF v Marco del Corso* [2012], at [84].

32 *Tom Kabinet* [2019], at [68]–[69].

is particularly important to mention that the CJEU in *Tom Kabinet* focused on the fact that anyone could become a member of the reading club and that there were no technical measures to limit access to a book to one downloaded copy at a time.[33] Consequently, the interpretation of 'public' can be described as potential access to a work by a substantial number of persons.[34]

(Step 3) 'Different technical means'

'Different technical means' refers to a situation where the technological medium used to effect a (subsequent) 'communication' is changed from the initial communication. In *ITV v TVCatchup*, it was held that, where a subsequent communication is made by a different technical means to the original communication, that subsequent act requires separate authorization. Consequently, the 'new public' criterion does not apply to subsequent communications made by a different technical means to the original communication.[35]

(Step 4) 'New public'

'New public' is defined as an audience (public) different to the one at which the original act of communication was directed.[36] The 'new public' criterion is applicable where a subsequent act of communication occurs using the same technical means as the original communication. In such a case, it must be proved that the subsequent communication enlarged the number of potential recipients to include persons not originally contemplated by the rightholder when authorizing the initial communication. In other words, unauthorized access is provided to persons who but for the intervention of the communicator would not have been able to access the work.[37]

(Step 5) 'Knowledge'

In *GS Media* it was stated that, for there to be an actionable 'communication to the public', the person responsible for the act of 'communication' must have 'knowledge' that the communication of the work was unauthorized.[38] The 'knowledge' requirement is satisfied with actual or presumed knowledge that the work being communicated was unauthorized. Therefore, in the absence of actual or presumed knowledge, there can be no act of communication to the public. The CJEU achieved this end result by tying the concept of 'knowledge' to the definition of 'communication'. That is, an intervention in full knowledge of the consequences of his action to give his customers access to a protected work. Therefore, in the absence of 'knowledge' the *right/required* kind of intervention is not made.[39]

However, there is an open question as to whether the 'knowledge' requirement is restricted to situations involving subsequent communications that involve the making available aspect. This issue remains unanswered because the most recent case to involve a

33 *Ibid*., at [69].
34 The concept of 'public' will be further explored in Case C-637/19 *BY v CX* (in progress).
35 *ITV v TVCatchup* [2013], at [26] and [39].
36 *SGAE v Rafael Hoteles* [2006], at [40].
37 *Ibid*., at [42].
38 *GS Media* [2016], at [47]–[49].
39 *Ibid*., at [48].

traditional act of communication, *Stim and SAMI*, did not discuss the new 'knowledge' criterion. This could be due to the fact that the CJEU held there was no infringement because there was no act of 'communication' in the first place.[40] As a result, a definitive answer will only be received via the next CJEU case to find infringement in relation to a traditional form of communication.

(Step 5 ½) 'For profit'

The CJEU in introducing the 'knowledge' requirement also introduced a further criterion to assist the establishment of presumed knowledge. The 'for profit' concept was used in *GS Media* to create a rebuttable presumption that persons who communicate works 'for profit' ought to know whether the work was authorized. Thus, it is presumed that they have knowledge on the standing of the respective work.[41] Contrastingly, where a work is not communicated 'for profit', there is a rebuttable presumption that the person responsible for the communication does not know and cannot reasonably know that the work had been published on the internet without the consent of the rightholder.[42] However, the CJEU failed to define 'for profit' and, moreover, the CJEU assumed actual knowledge in the subsequent *Filmspeler* and *Ziggo* decisions.[43] Therefore, there is still uncertainty about what will be considered 'for profit'. Moreover, the rebuttable presumption may give rise to a need for continuous monitoring, which may be impractical[44] and contrary to the no obligation to monitor requirement under Article 15 of the E-commerce Directive.[45]

The test

In order to establish an actionable 'communication to the public', there must be an act of 'communication' made to a 'public'. If the act of 'communication' is a subsequent communication, it must be made to a 'new public' unless the subsequent communication involves a 'different technical means' to the original communication. In addition to this, it must be proved that the person responsible for the act of communication has actual or presumed knowledge that the work being communicated is unauthorized.

Still getting it wrong

Having outlined the CJEU's test for communication to the public, it is necessary to discuss the problems that it has created and the sources of those problems. With regard to the elements of the test, the 'new public' and 'knowledge' criteria and their consequent application have proven most troublesome and controversial. Notably, these criteria paved the way for exhaustion of the right, conflation of primary infringement and secondary liability, and

40 Case C-753/18 *Föreningen Svenska Tonsättares Internationella Musikbyrå upa (Stim) and Svenska Artisters och musikers, intresseorganisation ek för (SAMI) v Fleetmanager Sweden AB and Nordisj Biluthyrning AB* [2020] ECLI:EU:C:2020:268, at [33]–[36].

41 *GS Media* [2016], at [51].

42 *Ibid*., at [47].

43 *Filmspeler* [2017], at [50] and *Ziggo* [2017], at [45].

44 M Leistner, 'Closing the Book on the Hyperlinks: Brief Outline of the CJEU's Case Law and Proposal for European Legislative Reform' (2017) 39(6) *EIPR* 327, 331.

45 Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market [2000] OJ L 178/1.

general uncertainty. These issues form the Achilles heel of the communication to the public right. Therefore, the role and logic of the CJEU in developing the right of communication to the public must be examined. This is because the problems with the right have been created by the expansive approach of the CJEU in developing the law. With this in mind, focus is placed on the context in which the right of communication to the public has been developed, the practical implications of asking the wrong questions and choosing the wrong criteria and the reason why the problems persist.

Context

The development of the communication to the public right has been directly influenced by the recitals in the Preamble to the InfoSoc Directive and the judicial activism and specific interpretive approaches adopted by the CJEU. From the beginning, in *SGAE v Rafael Hoteles*, key considerations for the interpretation and application of the right were articulated. This included the notion of a high level of protection for rightholders and the broad interpretation of the right. In addition to this, reading the communication to the public case law of the CJEU reveals judicial activism and the ignoring of the dissemination role/function of copyright. Each of these contextual concerns will now be addressed in turn.

High level of protection and broad interpretation

Recitals 4 and 9 of the InfoSoc Directive state that 'a high level of protection' is crucial to intellectual creation. Recital 23 also states that the right of communication to the public 'should be understood in a broad sense'. These recitals were paired together by the CJEU in *SGAE v Rafael Hoteles* to construct its maximalist protection approach to interpreting and applying the right.[46] Said approach is evidenced through all the CJEU's communication to the public cases where the interpretation and application of the right was conducted in a manner to give protection to rightholders as broadly and as permissible under the law as possible. Notable determinations made by the CJEU, which demonstrate the maximalist protection approach, include the adoption of the access approach in lieu of the traditional transmission approach; assumptions made that contemporary technologies such as hyperlinks[47] and torrent files[48] involve acts of 'communication'; and that intermediaries can be liable for the acts of their users.

The problem with this approach is that the scope of the right is now overbroad as it captures actions and actors which should not be caught in the net of 'communication to the public'.[49] This is directly attributable to the interpretation of the recitals, which suggest that

46 *SGAE v Rafael Hoteles* [2006], at [36].

47 For discussion on hyperlinks, see E Arezzo, 'Hyperlinks and Making Available Right in the European Union – What Future for the Internet after Svensson?' (2014) *IIC* 524, 525–529 and G Frosio, 'It's All Linked: How Communication to the Public Affects Internet Architecture' (2020) 37 *CSLR* 105 (last accessed 19 August 2020).

48 For discussion on torrents see: the expert report by Michael Walsh of Kerna Communication Ltd, quoted by Arnold J in *Dramatico Entertainment Ltd v British Sky Broadcasting Ltd* [2012] EWHC 268 (Ch), at [19] and *Roadshow Films Pty Ltd v iiNet Ltd* [2011] FCAFC 23, at [46]–[63].

49 The current scope of the communication to the public right covers acts that consist of the mere facilitation of access to content, to the more traditional act of enlarging public access: C Foong, 'Volition and the "New Public": A Convergence of US and EU Judicial Approaches to Communication to the Public' (2020) 42(4) *EIPR* 230, 237.

there is a need for a high level of protection and in so doing, the scope of exclusive rights should be broadly interpreted. However, such an expansive view of the law ignores valuable competing considerations that ought to affect where the balance is struck for the law.[50] More specifically, the CJEU's interpretation and application of the communication to the public right demonstrates a bias toward rightholders at the expense of users, intermediaries, technology developers, and a fair balance of fundamental rights.[51] If these competing interests are better accounted for, it is arguable that the scope of the right would be different. Having said that, the issue of the communication to the public right and the fundamental right of freedom of expression was explored in three fairly recent cases decided by the European Court of Human Rights (ECtHR) and the CJEU: *Magyar*, [52] *Spiegel*,[53] and *Funke Medien*[54] (on the interplay between copyright and fundamental rights, see the general discussion in Chapter 2). What impact these cases have on future communication to the public right cases remains to be seen. It is hoped that the CJEU will adopt a more thorough balancing exercise in deciding the referrals that are currently pending.

Judicial activism

It was articulated in the previous sub-section that the CJEU has constructed a maximalist protection approach to the communication to the public right. This must be read in conjunction with the judicial activist approach adopted by the CJEU. It should be noted that the judicial activism demonstrated by the CJEU is not all negative. For example, articulating express definitions of 'public' and 'communication' are positive within reason. The judicial activism of the CJEU in relation to communication to the public should be commended to the extent that it has provided some clarity to key aspects of the right that lacked definition by virtue of the technological neutrality and vagueness of the wording of Article 3 and – by extension – Article 8 of the WIPO Copyright Treaty. Thus, the CJEU's judicial activism can be seen as proactive given that the burden of defining 'communication to the public' was thrusted upon the CJEU by the legislature.[55] However, there are clear instances where the CJEU has overstepped its mandate and gone beyond the intention of the legislators who devised the InfoSoc Directive.

The CJEU's arbitrary inclusion of the 'new public', 'specific technical means', and 'knowledge' criteria have been controversial.[56] Furthermore, the ever-expanding interpretation of 'communication' remains a problem. These issues are at the center of the problems afflicting

50 The scope of the communication to the public right should be tailored to achieve the main goals of copyright. Furthermore, the criteria used should be consistent with those goals: C Sganga, *Propertizing European Copyright: History, Challenges and Opportunities* (Cheltenham: Edward Elgar Publishing 2018) 246 and 249–250; C Foong, *The Making Available Right: Realizing the Potential of Copyright's Dissemination Function in the Digital Age* (Cheltenham: Edward Elgar Publishing 2019) 7; and T Wu, 'Copyright's Communication Policy' (2004) 103(2) *Michigan Law Review* 278, 278.

51 Frosio argued that the expansion of the communication to the public right has profound repercussions for network design and business models: Frosio (2020) 33.

52 *Magyar Jeti ZRT v Hungary* App no 11257/16 (ECtHR, 4 December 2018).

53 Case C-516/17 *Spiegel Online GmbH v Volker Beck* [2019] ECLI:EU:C:2019:625.

54 Case C-469/17 *Funke Medien NRW GmbH v Bundesrepublik Deutschland* [2019] ECLI:EU:C:2019:623.

55 Foong argued that the drafting of vague and technology neutral laws that shift the burden on to courts to develop the law does not create clear guiding principles and – as such – cannot lead to predictability, consistency, or certainty in copyright decision-making: Foong (2019) 6 and 43–44.

56 See Koo (2019) Chapter 3.

the right of communication to the public.[57] It is arguable that the insertion of the 'new public' criterion has spawned most of the major problems with the EU communication to the public right.[58] This is because the 'new public' criterion was responsible for the exhaustion issue in *Svensson*, which in turn necessitated the radical response in *GS Media*, whereby the 'knowledge' criterion was introduced. The insertion of the 'knowledge' criterion can also be said to be the CJEU's move to harmonize secondary liability at the EU level[59] through the backdoor.[60] When this idea is viewed alongside the CJEU's inclusion of hyperlinks and torrent files as acts of 'communication', the argument that secondary liability has been harmonized at the EU level becomes more compelling. If hyperlinks and torrent files were not considered an act of 'communication', they would fall outside the scope of the communication to the public right and – consequently – outside the scope of harmonized EU copyright law. In other words, they would be left to the domestic laws concerning secondary liability.[61]

The main point for noting is that the CJEU's development of the communication to the public right has been a deliberate attempt to expand the scope of the right to achieve the specific goals set out in the recitals of the InfoSoc Directive and, moreover, develop EU copyright law in the absence of express laws. However, a holistic look at the communication to the public right in its current form illustrates a piece-meal, reactive response to contemporary technologies that lacks clarity and coherence.[62]

Ignoring the dissemination function of copyright law

In addition to the strictly legal considerations discussed above, the interpretation and application of the communication to the public right has also been affected by the justification and ideology underlining the EU copyright law framework. In the InfoSoc Directive, it is

57 These issues will be discussed further below.

58 It is argued that 'new public' cannot lay the groundwork for a sound right of communication to the public and that it can lead to unpredictable outcomes: see Foong (2020) 238; S Karapapa, 'The Requirement for a "New Public" in EU Copyright Law' (2017) 42(1) *European Law Review* 63 and PB Hugenholtz and S Van Velze, 'Communication to a New Public? Three Reasons Why EU Copyright Law Can Do Without a "New Public"' (2016) 47(7) *IIC* 797, 810–811.

59 AG Szpunar in his Opinion in *Ziggo* stated that failing to expand the scope of the communication to the public right to address torrent files would undermine the objective of harmonizing EU copyright law because, if left to individual Member States, the goals of harmonization would be compromised due to inconsistent approaches: Case C-610/15 *Stichting Brein v Ziggo BV and XS4ALL Internet BV* [2017] Opinion of AG Szpunar ECLI:EU:C:2017:99, at [3].

60 C Angelopoulos, *European Intermediary Liability in Copyright: A Tort-Based Analysis* (Alphen aan den Rijn: Kluwer Law International BV 2017) 65–66. Also see: B Clark and J Dickenson, 'Theseus and the Labyrinth? An Overview of 'Communication to the Public' under EU Copyright Law: After Reha Training and GS Media. Where Are We now and Where Do We Go from Here?' (2017) 39(5) *EIPR* 265, 277; P Savola, 'EU Copyright Liability for Internet Linking' (2017) 8 *Journal of Intellectual Property, Information Technology & Electronic Commerce Law (JIPITEC)* 139, 143; L Midelieva, 'Rethinking Hyperlinking: Addressing Hyperlinks to Unauthorized Content in Copyright Law and Policy' (2017) 39(8) *EIPR* 479, 487; C Lim Saw, 'Linking on the Internet and Copyright Liability: A Clarion Call for Doctrinal Clarity and Legal Certainty' (2018) 49(5) *IIC* 536, 562; Ginsburg (2017); and JB Nordemann, 'Recent CJEU Case Law on Communication to the Public and its Application in Germany: A New EU Concept of Liability' (2018) 13(9) *JIPLP* 744, 745.

61 The provision of hyperlinks and torrent files should be addressed by secondary liability, if at all under copyright law because they do not actually make a provision of the work, but merely facilitate access to the work that was already made available. At best, hyperlinks and torrent files expand the availability of a pre-existing work.

62 T Syndinou, 'Decoding the Kodi Box: To Link or Not to Link?' (2017) 39(12) *EIPR* 733, 736.

expressly stated that copyright law exists to 'foster substantial investment in creativity and innovation'[63] and to 'ensure the maintenance and development of creativity'.[64] As a result, a high level of protection is warranted to protect these authorial and investment interests otherwise creation would not occur to an optimal level. This justification is illustrative of the traditional incentive or reward theories that copyright exists to encourage creation. However, encouraging creation is not the only goal or objective of copyright law. There is also the dissemination function[65] that has been largely ignored under the InfoSoc Directive and by the CJEU. It can be argued that, for copyright law to strike a fair balance of the relevant 'rights and interests', the dissemination function must be accounted for. Otherwise, the goal under Recital 31 of the InfoSoc Directive will be jeopardized.

The dissemination function of copyright exists to encourage the wide distribution of works so that persons can interact with and learn from existing works.[66] This function of copyright can be inferred from the utilitarian approach to copyright that suggests copyright works are worth protecting because of their cultural and educational value.[67] Therefore, copyright seeks to encourage the creation and dissemination of works due to the consequent public good that arises by virtue of having access to these works.[68] Recital 22 of the InfoSoc Directive acknowledges this incentive-access paradigm, as Lunney described it.[69] However, the acknowledgement is limited as the recital states that 'the dissemination of culture must not be achieved by sacrificing strict protection of rights or by tolerating illegal forms of distribution […]'[70]

The problem with Recital 22 is that the focus is primarily placed on rightholders to the detriment of other stakeholders, which marginalizes the dissemination function. Those creating and applying laws must understand the impact of copyright law on non-rightholders if the correct balance is to be struck.[71] Unfortunately, the CJEU has acted rigidly in upholding Recital 22 to the extent that any modern act of unauthorized communication involving technology that is perceived as 'disruptive technology'[72] has been held to be *prima facie* infringing.[73] Furthermore, the CJEU has engaged its judicial activism approach to secure the interests of rightholders by any means as evidenced by the introduction of the 'knowledge' criterion which has resulted in intermediaries being held primarily liable for infringements of the communication to the public right. This compromises the dissemination function

63 Recital 4 of the InfoSoc Directive.

64 Recital 9 of the InfoSoc Directive.

65 Foong (2019) 7 and 37–42; L Ray Patterson and S Birch Jr, 'A Unified Theory of Copyright' (2009) 46 *Hous L Rev* 215, 392; and Wu (2004) 279. Wu described the dissemination function as the communication policy or function of copyright law.

66 C Foong, 'The Making Available Right: Problems with "the Public"' in J Gilchrist and B Fitzgerald (eds), *Copyright, Property and the Social Contract: The Reconceptualisation of Copyright* (Cham: Springer International Publishing 2018) 268–269; Foong (2019) 38; and Patterson and Birch Jr (2009) 392.

67 W Dibble, 'Justifying Intellectual Property' (1994) *UCL Juris Rev* 74, 81.

68 L Zemer, 'On the Value of Copyright Theory' (2006) *IPQ* 55, 58; E Hettinger, 'Justifying Intellectual Property' (1989) 18 Philosophy & Public Affairs 31, 48; and C Geiger, '"Constitutionalising" Intellectual Property Law? The Influence of Fundamental Rights on Intellectual Property in the European Union' (2006) *IIC* 371, 378.

69 G Lunney Jr, 'Reexamining Copyright's Incentives-Access Paradigm' (1996) 49 *Vand L Rev* 483.

70 See Recital 22 of the InfoSoc Directive.

71 Wu (2004) 366.

72 'Disruptive technology' is defined as "a new technology that completely changes the way things are done" – Cambridge Dictionary, 'disruptive technology' <https://dictionary.cambridge.org/dictionary/english/disruptive-technology> (last accessed 19 August 2020). 'Disruptive technologies' affect business models and more generally the way the market functions.

73 See *GS Media* [2016], *Filmspeler* [2017], and *Ziggo* [2017].

of copyright law because contemporary and new technologies that distribute works are prejudiced.[74] The decisions of the CJEU have been weighted in favor of rightholders at the expense of users and intermediaries who engage with modern technologies that are perceived as disruptive.[75] Notably, this has significant implications for platforms that involve the sharing of user-generated content such as social media and video hosting platforms.

Implications of choosing the wrong criteria

The primary issues with the right of communication to the public have revolved around the controversial criteria that have been used ('new public', 'specific technical means', and 'knowledge') and the application of the right to contemporary forms of internet technology (hyperlinks, torrent files, media players). These issues have been well-articulated in the existing literature,[76] as such only the implications of these issues will be discussed in this chapter. Due to the expansive interpretation of the communication to the public right by the CJEU, we are now faced with a legal landscape that is unclear and unpredictable.[77] This is evidenced by the continuous number of referrals on the right. At the time of writing, there were four pending referrals concerning, peer-to-peer file sharing via torrents,[78] sharing files on a Usenet service,[79] and the liability of YouTube for facilitating the sharing of videos uploaded by users.[80] It can be said that these four referrals are all direct consequences of the CJEU's choices in *Svensson*, *GS Media*, *Filmspeler*, and *Ziggo*.

The post-*Svensson* case law has given rise to a number of contentious situations including the exhaustion of the communication to the public right due to the application of 'new public' to the internet (*Svensson*),[81] the conflation of primary and secondary liability due to the 'knowledge' criterion (*GS Media*),[82] and the overexpansion of 'communication to the public' to include mere facilitation (*Filmspeler*)[83] and intermediary responsibility for acts of

74 See J Ginsburg, 'Copyright and Control Over New Technologies of Dissemination' (2001) 101 Colum L Rev 1613. Ginsburg discussed the need to balance the incentive function so that new technologies which facilitate dissemination are not stifled.

75 This notion will be explored further below.

76 For discussion on key issues about the communication to the public right see: Frosio (2020) 11–30; Leistner (2017); Syndinou (2017); Karapapa (2017); E Rosati, '*GS Media* and its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture' (2017) 54(4) *Common Market Law Review* 1221; E Rosati, *Copyright and the Court of Justice of the European Union* (Oxford University Press 2019) 96–110; I Stamatoudi, '"Browsing", "Linking" and "Framing" in the Light of the EU Court of Justice's (CJEU) Case Law' in T Pistorius (ed), *Intellectual Property Perspectives on the Regulation of New Technologies* (Cheltenham: Edward Elgar Publishing 2018); and Koo (2019).

77 The decisions of the CJEU can be argued to be overlapping, inconsistent and sometimes contradictory. A clear doctrine remains absent – J Groom, I Silverman and B Clark, 'Still Lost in the Labyrinth? CJEU Rules in Filmspeler that Pre-loading a Set-top box with Links to a Pirate Site is a Communication to the Public' (2017) 39(9) *EIPR* 591, 593.

78 Case C-597/19 *MICM Mircom International Content Management & Consulting Ltd v Telenet BVBA* (referral).

79 Case C-442/19 *Stichting Brein v News-Service Europe BV* (referral).

80 Case C-682/18 *LF v Google LLC, YouTube Inc, YouTube LLC and Google Germany GmbH* (referral) and Case C-500/19 *Puls 4 TV GmbH & Co KG v YouTube LLC and Google Austria GmbH* (referral).

81 J Rosén, 'How Much Communication to the Public is 'Communication to the Public'?' in I Stamatoudi (ed), *New Developments in EU and International Copyright Law* (Alphen aan den Rijn: Kluwer Law International BV 2016) 343.

82 Angelopoulos (2017) 65–66, Clark and Dickenson (2017) 277, Savola (2017) 143, para 23, Midelieva (2017) 487, Lim Saw (2018) 562, Ginsburg (2017) 3 and Nordemann (2018) 745.

83 *Filmspeler* [2017] para 41.

users (*Ziggo*).[84] As a result of these choices, the CJEU has created many more questions than those resolved in deciding the prior cases. Therefore, there are lingering concerns about how the choices made in the cases mentioned will impact on the future development of the right and its relevant stakeholders. Particularly, it is unclear: how far the new notion of primary liability for intermediaries will go; how new disruptive communication technologies will be treated due to the bias exhibited toward traditional forms of dissemination and rightholders; and what impact the development of the communication to the public right will have on creativity and the access to works and information.[85] Consequently, the CJEU has much more work to do in clarifying the law. It is likely that the right of communication to the public will need to be recalibrated if certainty and predictability is to be achieved.

Asking and answering the wrong questions

It continues to be the case that the wrong questions are being addressed in the CJEU. The blame here must be distributed because the problem is derived from a number of sources. It can be said that from the beginning the wrong questions are being asked in a normative copyright sense. Alternatively, it can also be said that the phrasing of questions referred by national courts and the subsequent interpretation of those questions by the CJEU has contributed to the problem. This idea was pursued by Giblin and Ginsburg who discussed the notion that the wrong questions are being asked in communication to the public cases and, as a consequence, the wrong answers are being established.[86] Giblin and Ginsburg argued that the CJEU's focus on 'who made the 'communication'' and 'the size of the public' are not conducive for the development of a coherent right of communication to the public. They also went on to argue that the above two questions are ancillary and leave no room for the consideration of whether a particular act should be subject to liability. Instead, the CJEU should focus should on the nature of the act/use/technology.[87] Giblin and Ginsburg suggested that the correct questions include:

> Does the use duplicate or displace existing forms of exploitation?
> Does the use supplant markets or created new ones?[88]

These two questions are reminiscent of the fair use criteria used for the exceptions and limitations to copyright under US copyright law.[89]

Analyzing the communication to the public case law of the CJEU revealed that Giblin and Ginsburg's notion of 'wrong questions' is indeed a legitimate concern. In particular, the cases post-*Svensson* clearly demonstrate that the wrong questions were asked because the technologies involved were mostly assumed as coming within the scope of 'communication'. This is most notable in *Svensson*, where a blanket liability approach to hyperlinks was established.[90]

84 *Ziggo* [2017] paras 37–39.
85 T Rendas, 'Copyright, Technology and the CJEU: An Empirical Study' (2018) 49(2) *IIC* 153, 158.
86 R Giblin and J Ginsburg, 'Asking the Right Questions in Copyright Cases: Lessons from *Aereo* and its International Brethren' in T Pistorius (ed), *Intellectual Property Perspectives on the Regulation of New Technologies* (Cheltenham: Edward Elgar Publishing 2018).
87 Giblin and Ginsburg in Pistorius (2018) 145–146 and 151.
88 *Ibid*., 151.
89 See the four criteria set out in s.107 of the Copyright Act of the USA.
90 The term 'clickable links' was used without any further explanation: *Svensson* [2014], at [18].

There was no discussion about the type of hyperlink[91] involved nor the technology or its uses. Instead, the focus was on the responsible party and the type of audience.[92] This sentiment can also be applied to *Filmspeler* and *Ziggo*, where the exercise of the CJEU was focused on establishing who was culpable without considering whether the acts involved should be subject to the communication to the public right or moreover, primary liability.[93] It is arguable that the general approach of the CJEU demonstrates a bias toward traditional technologies and rightholders because the communication to the public right has been stretched to encompass disruptive technologies like hyperlinks, media players, and torrent files with little or no justification.[94] This is not to say that these technologies and the acts of users who frequent them raise no copyright issues. Rather, it must be questioned whether the application of the communication to the public right is the correct means to address the problem.

Going forward, it must be asked whether the communication to the public right should be applied and more particularly, whether the act in question really amounts to a 'communication'. Focus should be placed on regulating competing disseminations/disseminators rather than regulating the mode of dissemination.[95] That is, focus should be on actual acts involving the unauthorized provisions of works to recipients. To this end, there is a need for holistic change in the CJEU's process of deciding communication to the public cases. All the issues discussed in this chapter need to be taken into account. Otherwise, the law will remain unclear, incoherent, and unpredictable especially in relation to new technologies.

Predicting the pending cases

This chapter has discussed the key issues contributing to the problems with the existing EU communication to the public right. With that knowledge, the four pending referrals involving the application of the communication to the public right to modern internet technologies (Cases C-682/18 and C-683/19;[96] C-442/19;[97] C-500/19;[98] and C-597/19[99]) will be analyzed for the purpose of highlighting what the CJEU is likely to hold.[100] The predictions will then be qualified to indicate any continuing problems.

91 See Frosio (2020) for discussion on how different types of hyperlinks were addressed and/or ignored by the CJEU in various cases.

92 Foong argued that technology neutral fault-based approaches should not be substitutes for principled decision-making: Foong (2020) 230.

93 Assumptions were made that the multimedia player loaded with add-ons and torrent files amounted to acts of 'communication' by virtue of analogy to the decision in *Svensson* on clickable links: *Filmspeler* [2017], at [37]–[38] and *Ziggo* [2017], at [32]–[34].

94 Simply because a technology is disruptive does not mean it infringes copyright law. The value of the technology must be incorporated into the determination of infringement: Foong (2020) 238.

95 Wu (2004) 366.

96 *Peterson v YouTube* [2020].

97 Case C-442/19 *Stichting Brein v News-Service Europe BV* (in progress).

98 Case C-500/19 *Puls 4 TV GmbH & Co KG v YouTube LLC and Google Austria GmbH* (in progress).

99 Case C-597/19 *MICM Mircom International Content Management & Consulting Ltd v Telenet BVBA* (in progress).

100 Case C-637/19 *BY v CX* (referral) is excluded because it focuses on the 'public' element of the communication to the public right and exceeds the scope of this chapter.

Joined Cases C-682/18 and C-683/18 Peterson v YouTube *and* Elsevier v Cyando *and Case C-500/19* Puls 4 v YouTube

Issue – Does the operator of an internet video or file-hosting and sharing platform which contains publicly accessible, unauthorized copyright protected works uploaded by users, carry out an act of communication to the public? And if so, does that lead to a loss of the liability privilege under the E-commerce Directive?

The first question for the CJEU is whether the operator of the platform is responsible for acts of communication to the public by providing access to files uploaded by its users. The second question is whether the operator of the platform can make avail of the liability privilege available to hosting services. Taken together, the issues revolve around whether the operator of the platform is a content provider or mere host.

Predicted Answer – These cases will likely be decided in similar fashion to *Ziggo*, if the existing CJEU case law is to be followed.[101] This is because YouTube, like The Pirate Bay, provides a platform allowing users to upload works which are then offered for open access using the infrastructure built into the platform. In the case of YouTube, the video platform allows users to upload works in accordance with a licensing agreement that grants YouTube a worldwide, non-exclusive, and royalty-free license to disseminate the video as long as it remains posted.[102] Subsequent to an upload, the files are stored on YouTube's servers and made accessible via a built-in search function. Some videos are subjected to advertisements, of which the monetary proceeds are shared with the rightholder. Furthermore, YouTube offers a number of tools to connect users with uploaded content, such as suggested videos, online tips for searching, an electronic directory inclusive of video categorization and content rankings.

This said, Uploaded is a file-hosting and sharing platform that allows users to upload works without any content analysis, for storage. Each file uploaded automatically generates a download link that can be shared allowing other persons to download the stored file. Unlike YouTube, there are access limits for non-subscription users in the form of download data limits and download speed limits. Furthermore, Uploaded does not provide a directory or a search function.[103] Similarly, with regard to YouTube, it is important to note that uploads occur automatically without YouTube being aware of the content to be uploaded. However, this is counter-balanced by the inclusion of copyright notices, blocking tools for rightholders, and efficient compliance with notice and takedown instructions. Additionally, YouTube has a search function and a 'suggestions' function that are key aspects of the appeal in using YouTube.

With that in mind, the CJEU is likely to conclude that YouTube does commit an act of 'communication' because it provides access to works and, moreover, due to the license agreement expressly conferring a right on YouTube to make the works available to the public. Furthermore, there will be 'knowledge' because the platform is 'for profit' and, also, the size of the operation and the large amount of unauthorized content cannot be ignored.[104] Likewise, the CJEU is likely to hold that Uploaded is responsible for an act of communication to

101 ALAI argued that *Ziggo* is the most relevant case to be incorporated in deciding the *LF v YouTube* – ALAI, *Opinion in respect of some of the questions from the Federal Court of Justice of Germany for preliminary ruling by the CJEU, Case C-682/18 (YouTube)* (2019) 5.

102 ALAI argued that the license leads to the conclusion that the operator admitted to an act of 'communication' – *ibid*., 3.

103 *Peterson v Google* [2020] Opinion of AG Saugmandsgaard ØE, at [30]–[31].

104 ALAI (2019) 4.

the public because it provides access to stored works by virtue of the automatically generated hyperlinks and moreover, there will be 'knowledge' because the platform is 'for profit'.

However, if the *Ziggo* decision is to be applied/replicated in these cases, a primary point of concern should be on the fact that the platforms under consideration are different to The Pirate Bay. Whereas, The Pirate Bay solely exists for the facilitation of illegal file sharing, YouTube and Uploaded have legitimate purposes despite the fact that unauthorized content is also shared. Therefore, a finding of liability will have far reaching implications for the provision of 'legal' platforms that allow user-generated content. This may result in substantial changes to user upload processes or alternatively, could spell the end of 'free' upload and access user generated platforms. The impact of such a decision should be contemplated by the CJEU.[105]

Case C-442/19 Stichting Brein v News Service

Issue – Does the operator of a Usenet platform commit an act of communication to the public where its platform is used by users to locate and download unauthorized copyright works via overviews of newsgroups and/or unique message IDs?

The primary question for the court is whether the Usenet platform is directly liable for acts of communication to the public involving material uploaded by its users. The secondary question is whether the establishment of communication to the public will preclude the application of the hosting exception under Article 14 of the E-commerce Directive.

Predicted Answer – It is likely that the CJEU will decide this case by analogy to *Ziggo*. In *Ziggo*, it was assumed that there was an act of 'communication' and then the finding of infringement hinged on the establishment of 'knowledge', which was easy to establish because of the wonton and open nature of infringement and moreover, the existence of advertisements meant it was 'for profit'. However, in the present case, it is unclear what percentage of information shared on the Usenet platform is infringing. Moreover, it is also unknown from the referral whether Usenet is run 'for profit'. However, what is known is that the process of downloading files from Usenet is similar to that of torrent files whereby a single file is split into multiple binaries which must be all downloaded and then reassembled using third-party software to obtain the desired file. What Usenet provides are classifications of discussion topics and unique message IDs which can be used by third-party software to search for specific content.

In that sense, Usenet is different from The Pirate Bay which indexes the torrent files and provides a search function. Similarly, it also arguable that Usenet does not make it 'easier' for users to access works as was the case in *Filmspeler*.[106] Notwithstanding this, it is conceivable that the CJEU will still make the finding that the Usenet platform commits an act of 'communication' because it provides access to works.[107] However, it is unknown how the decision on 'knowledge' will be delivered. It is this author's guess that in the absence of actual knowledge or a clear profit motive (advertising, subscription fees, etc.), there will be a finding of no 'knowledge' and consequently

105 The AG Opinion in *Peterson v YouTube* [2020] departed from the expected reasoning in relation to 'communication to the public' by utilizing the transmission approach and subsequently making a finding of no infringement. It is an open question whether the CJEU will agree with AG Saugmandsgaard ØE's Opinion. However, the AG Opinion was bold in going against the established precedent of the CJEU. See *Peterson v YouTube* [2020] Opinion of AG Saugmandsgaard ØE, at [56] and [256].

106 *Filmspeler* [2017], at [41].

107 The broad interpretive approach seen in *Svensson*, *GS Media*, *Filmspeler* and *Ziggo* strongly points in the direction that an act of 'communication' will be found to subsist.

no 'communication to the public'. This case is eagerly awaited because the CJEU will be forced to further define the 'knowledge' criterion along with its 'for profit' element.

Any development arising from this case will be crucial to the interpretation and application of the communication to the public right given that the finding of liability now seemingly hinges on the 'knowledge' criterion.

Case C-597/19 MICM v Telenet

Issue – Does the act of seeding for the purpose of facilitating torrent file downloads constitute an act of communication to the public?

The main question for the court to answer in this case is whether sharing a fragment of a work (seeding) that will be subsequently reassembled into the whole work is sufficient to constitute an act of communication to the public. In other words, the court is to consider whether there is a *de minimis* threshold for what is made accessible by the intervention of the user.

Predicted Answer – Following *Ziggo*, it has already been established that using torrent files invokes the communication to the public right. However, that discussion was focused on the perspective of the user creating the torrent file and websites like The Pirate Bay indexing and facilitating their dissemination. The case at hand focuses on the use of torrent files by users who become 'seeders' by virtue of the nature of the peer-to-peer network exchange. The operation of torrent files requires users to share fragments of the overall file to other users (seeding). Instead of downloading one file from one source, torrent files and peer-to-peer software operate by downloading a multitude of small parts of the file from multiple sources. Therefore, the question is whether these fragments are sufficient to be considered a substantial part of a copyright work.

There is no doubt, following *Ziggo*, that the act of making available a work via a torrent file amounts to an act of communication to the public.[108] As such, it is unnecessary to go through the individual elements of the test for communication to the public. What must be focused on is whether the fragment shared is *de minimis*.[109] Following the CJEU's logic in interpreting 'public' to include successive customers as developed in *SGAE v Rafael Hoteles*,[110] it is arguable that a similar approach will be applied in assessing whether the fragment is an original, and thus protectable, part of a work. It is acknowledged that the individual fragments are useless on their own. However, if the CJEU adopts a broad outlook of the situation as it has tended to do, it is plausible that the court will conclude that the act of seeding amounts to 'communication to the public' because the overall process provides access to a work.

This decision will have implications for network technologies that involve decentralized downloads. While private networks may remain unaffected, public application of such technologies may be severely curtailed. Consequently, the CJEU should consider the value of the technology in making its decision.

108 See J Koo, 'Away We Ziggo: The Latest Chapter in the EU Communication to the Public Story' (2018) 13(7) *JIPLP* 542.

109 AG Szpunar in *Pelham* expressed doubt about the existence or application of a *de minimis* threshold for the purpose of determining infringement under EU copyright law: *Pelham GmbH, Moses Pelham, Martin Haas v Ralf Hütter, Florian Schneider-Esleben* [2018] Opinion of AG Szpunar ECLI:EU:C:2018:1002, at [28]–[33].

110 *SGAE v Rafael Hoteles* [2006], at [38]–[39].

Conclusion

This chapter exposed the inner workings of the EU right of communication to the public and isolated the key elements that have contributed to the controversy surrounding the decision-making of the CJEU. This author harbors hope that the CJEU will re-assess its decision-making process and make alterations to produce a more balanced approach leading to more desirable results.

References

ALAI, *Opinion in Respect of Some of the Questions from the Federal Court of Justice of Germany for Preliminary Ruling by the CJEU, Case C-682/18 (YouTube)* (2019).

C Angelopoulos, *European Intermediary Liability in Copyright: A Tort-Based Analysis* (Alphen aan den Rijn: Kluwer Law International BV 2017).

E Arezzo, 'Hyperlinks and Making Available Right in the European Union – What Future for the Internet after Svensson?' (2014) *IIC* 524.

B Clark and J Dickenson, 'Theseus and the Labyrinth? An Overview of "Communication to the Public" under EU Copyright Law: After Reha Training and GS Media. Where Are We now and Where Do We Go from Here?' (2017) 39(5) *EIPR* 265.

W Dibble, 'Justifying Intellectual Property' (1994) *UCL Juris Rev* 74.

C Foong, 'The Making Available Right: Problems with "the Public"' in J Gilchrist and B Fitzgerald (eds), *Copyright, Property and the Social Contract: The Reconceptualisation of Copyright* (Cham: Springer International Publishing 2018).

C Foong, *The Making Available Right: Realizing the Potential of Copyright's Dissemination Function in the Digital Age* (Cheltenham: Edward Elgar Publishing 2019).

C Foong, 'Volition and the "New Public": A Convergence of US and EU Judicial Approaches to Communication to the Public' (2020) 42(4) *EIPR* 230.

G Frosio, 'It's All Linked: How Communication to the Public Affects Internet Architecture' (2020) 37 *Computer Law and Security Review* 105.

C Geiger, '"Constitutionalising" Intellectual Property Law? The Influence of Fundamental Rights on Intellectual Property in the European Union' (2006) *IIC* 371.

R Giblin and J Ginsburg, 'Asking the Right Questions in Copyright Cases: Lessons from *Aereo* and its International Brethren' in T Pistorius (ed), *Intellectual Property Perspectives on the Regulation of New Technologies* (Cheltenham: Edward Elgar Publishing 2018).

J Ginsburg, 'Copyright and Control Over New Technologies of Dissemination' (2001) 101 *Colum L Rev* 1613.

J Ginsburg, 'The Court of Justice of the European Union an EU Law of Liability for Facilitation of Copyright Infringement: Observations on *Brein v. Filmspeler* [C527/15] (2017) and *Brein v. Ziggo* [C-610/15] (2017)' (2017) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3024302> (last accessed 19 August 2020).

J Groom, I Silverman and B Clark, 'Still Lost in the Labyrinth? CJEU Rules in Filmspeler that Pre-loading a Set-top Box with Links to a Pirate Site is a Communication to the Public' (2017) 39(9) *EIPR* 591.

E Hettinger, 'Justifying Intellectual Property' (1989) 18 *Philosophy & Public Affairs* 31.

PB Hugenholtz and S Van Velze, 'Communication to a New Public? Three Reasons Why EU Copyright Law Can Do Without a "New Public"' (2016) 47(7) *IIC* 797.

S Karapapa, 'The Requirement for a "New Public" in EU Copyright Law' (2017) 42(1) *European Law Review* 63.

J Koo, 'Away We Ziggo: The Latest Chapter in the EU Communication to the Public Story' (2018) 13(7) *JIPLP* 542.

J Koo, *The Right of Communication to the Public in EU Copyright Law* (Oxford: Hart Publishing 2019).

M Leistner, 'Closing the Book on the Hyperlinks: Brief Outline of the CJEU's Case Law and Proposal for European Legislative Reform' (2017) 39(6) *EIPR* 327.

C Lim Saw, 'Linking on the Internet and Copyright Liability: A Clarion Call for Doctrinal Clarity and Legal Certainty' (2018) 49(5) *IIC* 536.

G Lunney Jr, 'Reexamining Copyright's Incentives-Access Paradigm' (1996) 49 *Vand L Rev* 483.
L Midelieva, 'Rethinking Hyperlinking: Addressing Hyperlinks to Unauthorized Content in Copyright Law and Policy' (2017) 39(8) *EIPR* 479.
JB Nordemann, 'Recent CJEU Case Law on Communication to the Public and Its Application in Germany: A New EU Concept of Liability' (2018) 13(9) *JIPLP* 744.
L Ray Patterson and S Birch Jr, 'A Unified Theory of Copyright' (2009) 46 *Hous L Rev* 215.
T Rendas, 'Copyright, Technology and the CJEU: An Empirical Study' (2018) 49(2) *IIC* 153.
E Rosati, *Copyright and the Court of Justice of the European Union* (Oxford: Oxford University Press 2019).
E Rosati, '*GS Media* and its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture' (2017) 54(4) *Common Market Law Review* 1221.
J Rosén, 'How Much Communication to the Public is 'Communication to the Public'?' in I Stamatoudi (ed), New *Developments in EU and International Copyright Law* (Alphen aan den Rijn: Kluwer Law International BV 2016).
P Savola, 'EU Copyright Liability for Internet Linking' (2017) 8 *Journal of Intellectual Property, Information Technology & Electronic Commerce Law* (JIPITEC) 139.
C Sganga, *Propertizing European Copyright: History, Challenges and Opportunities* (Cheltenham: Edward Elgar Publishing 2018).
I Stamatoudi, ''Browsing', 'Linking' and 'Framing' in the Light of the EU Court of Justice's (CJEU) Case Law' in T Pistorius (ed), *Intellectual Property Perspectives on the Regulation of New Technologies* (Cheltenham: Edward Elgar Publishing 2018).
T Syndinou, 'Decoding the Kodi Box: To Link or Not to Link?' (2017) 39(12) *EIPR* 733.
T Wu, 'Copyright's Communication Policy' (2004) 103(2) *Michigan Law Review* 278.
L Zemer, 'On the Value of Copyright Theory' (2006) 1 *IPQ* 55.

Case law

Case C-306/05 *Sociedad General de Autores y Editores de España (SGAE) v Rafael Hoteles SA* [2006] ECLI:EU:C:2006:764.
Cases C-403/08 and C-429/08 *Football Association Premier League (FAPL) and others v QC Leisure and others and Karen Murphy v Media Protection Services Ltd* [2011] ECLI:EU:C:2011:631.
Case C-283/10 *Circul Globus Bucureşti (Circ & Variete Globus Bucureşti) v Uniunea Compozitorilor şi Muzicologilor din România – Asociaţia pentru Drepturi de Autor (UCMR – ADA)* [2011] ECLI:EU:C:2011:772.
Case C-135/10 *Societa Consortile Fonografici (SCF) v Marco del Corso* [2012] ECLI:EU:C:2012:140.
Case C-607/11 *ITV Broadcasting Ltd and others v TVCatchup Ltd* [2013] ECLI:EU:C:2013:147.
Case C-351/12 *Ochranný svaz autorský pro práva k dílům hudebním os (OSA) v Léčebné lázně Mariánské Lázně as* [2014] ECLI:EU:C:2014:110.
Case C-466/12 *Svensson and others v Retriever Sverige AB* [2014] ECLI:EU:C:2014:76.
Case C-151/15 *Portugese Society of Authors CRL (SPA) v Ministerio Público and others* [2015] ECLI:EU:C:2015:468.
Case C-325/14 *SBS Belgium NV v Belgische Vereniging van Auteurs, Componisten en Uitgevers (SABAM)* [2016] ECLI:EU:C:2015:764.
Case C-117/15 *Reha Training Gesellschaft für Sport- und Unfallrehabilitation mbH v Gesellschaft für musikalische Aufführungs- und mechanische Vervielfältigungsrechte eV (GEMA)* [2016] ECLI:EU:C:2016:379.
Case C-160/15 *GS Media BV v Sanoma Media Netherlands BV and others* [2016] ECLI:EU:C:2016:644.
Case C-527/15 *Stichting Brein v Jack Frederik Wullems (also trading under the name Filmspeler)* [2017] ECLI:EU:C:2017:300.
Case C-610/15 *Stichting Brein v Ziggo BV and XS4ALL Internet BV* [2017] Opinion of AG Szpunar, ECLI:EU:C:2017.
Case C-610/15 *Stichting Brein v Ziggo BV and XS4All Internet BV* [2017] ECLI:EU:C:2017:456.
Case C-265/16 *VCAST Ltd v RTI SpA* [2017] ECLI:EU:C:2017:913.
Case C-161/17 *Land Nordrhein-Westfalen v Dirk Renckhoff* [2018] Opinion of AG Campos Sánchez-Bordona ECLI:EU:C:2018:279.
Pelham GmbH, Moses Pelham, Martin Haas v Ralf Hütter, Florian Schneider-Esleben [2018] Opinion of AG Szpunar ECLI:EU:C:2018:1002.
Case C-263/18 *Nederlands Uitgeversverbond and Groep Algemene Uitgevers v Tom Kabinet Internet BV, Tom Kabinet Holding BV and Tom Kabinet Uitgeverij BV* [2019] ECLI:EU:C:2019:1111.
Case C-469/17 *Funke Medien NRW GmbH v Bundesrepublik Deutschland* [2019] ECLI:EU:C:2019:623.

Case C-516/17 *Spiegel Online GmbH v Volker Beck* [2019] ECLI:EU:C:2019:625.
Joined Cases C-682/18 and C-683/18 *Frank Peterson v Google LLC, YouTube LLC, YouTube Inc, Google Germany GmbH and Elsevier Inc v Cyando AG* [2020] Opinion of AG Saugmandsgaard ØE ECLI:EU:C:2020:586.
Case C-753/18 *Föreningen Svenska Tonsättares Internationella Musikbyrå upa (Stim) and Svenska Artisters och musikers, intresseorganisation ek för (SAMI) v Fleetmanager Sweden AB and Nordisj Biluthyrning AB* [2020] ECLI:EU:C:2020:268.
Case C-442/19 *Stichting Brein v News-Service Europe BV* (referral).
Case C-500/19 *Puls 4 TV GmbH & Co KG v YouTube LLC and Google Austria GmbH* (referral).
Case C-597/19 *MICM Mircom International Content Management & Consulting Ltd v Telenet BVBA* (referral).
Case C-637/19 *BY v CX* (referral).
Dramatico Entertainment Ltd v British Sky Broadcasting Ltd [2012] EWHC 268 (Ch).
Maygar Jeti ZRT v Hungary App no 11257/16 (ECtHR, 4 December 2018).
Roadshow Films Pty Ltd v iiNet Ltd [2011] FCAFC 23.

10

PRIMARY AND ACCESSORY LIABILITY IN EU COPYRIGHT LAW

Christina Angelopoulos

Abstract

In theory, the concepts of primary and accessory liability appear quite distinct. Primary liability results from a direct wrongdoing, whereas accessory liability requires participation in the wrongdoing carried out by somebody else. Until recently, the conventional wisdom was that EU copyright law harmonized primary, but not accessory liability for copyright infringement, only touching upon the latter in its rules on injunctions against intermediaries and through the safe harbors immunizing certain internet intermediaries against liability. In its recent copyright case law, the Court of Justice of the European Union (CJEU) has upended these assumptions by taking it upon itself to fashion a harmonized accessory liability regime for copyright out of the exclusive economic rights afforded to the copyright owner. With the adoption of the Directive on Copyright in the Digital Single Market (CDSMD), the EU legislator has further calibrated this harmonization of accessory copyright liability. This chapter tracks this evolution and discusses its consequences for EU copyright law.

Contents

Abstract 193
Introduction 194
The exclusive rights of the copyright owner in the directives 195
The right of communication to the public 195
The act of 'communication' 196
The notion of a 'public' 198
A 'new' public 199
Knowledge or intention 201
The distribution right 204
Accessory liability in the EU 205
Article 17 of the Directive on Copyright in the Digital Single Market 206
Exceptions and limitations 208
Injunctions 209
Conclusion 211
References 213
Case law 214

Introduction

On paper, the distinction between primary and accessory copyright infringement appears straightforward. Primary infringement occurs where a defendant engages in an act restricted by one of the exclusive rights granted by copyright law. Accessory infringement occurs where one person participates in – i.e. acts as an accessory to – a copyright infringement whose primary perpetrator is somebody else.[1]

Until recently, the conventional wisdom was that EU copyright law harmonized only primary, but not accessory liability.[2] The harmonization of primary liability was achieved through the introduction to the EU copyright *acquis* – primarily by the Information Society Directive[3] (InfoSoc Directive) – of a set of exclusive economic rights granted to the copyright owner. It was understood that in order that a defendant be held liable for the primary infringement of one of those rights, she must have carried out an act restricted by that right.[4]

The closest the EU framework appeared to come to the question of accessory liability was the safe harbor provisions of Articles 12–14 of the E-Commerce Directive (ECD).[5] These are immunities that require that Member States not impose liability on the providers of certain internet-related services when these are used by others to carry out an infringement, provided that certain conditions are met. In this way, a minimum level of harmonization was achieved for certain services deemed crucial enough to the operation of the internet to necessitate uniform protection. But the safe harbors are a far cry from a proper harmonization of accessory liability: they cover a limited range of accessories and do not determine when a service provider should be held liable for a copyright infringement carried out by another person.

In its recent copyright case law, the Court of Justice of the European Union (CJEU) has upended the traditional assumptions about EU copyright harmonization by taking it upon itself to fashion a harmonized accessory liability regime for copyright law out of the harmonized exclusive rights. With the adoption of the Directive on Copyright in the Digital Single Market (CDSMD),[6] the EU legislator jumped on the accessory liability harmonization wagon.

In this chapter, the evolution of this process and its consequences shall be tracked. The analysis shall begin with the CJEU's case law in key areas of primary liability. It will move on to examine the impact of this case law on accessory liability; a discussion of the relevance of the CDSMD shall then be undertaken, before exceptions and limitations on accessory liability and the relevance of the harmonized rules on injunctions to accessory liability are considered. The chapter shall conclude that, notwithstanding its lukewarm reception by

1 C Angelopoulos, *European Intermediary Liability in Copyright: A Tort-Based Analysis* (Alphen aan den Rijn: Kluwer Law International, 2016), Section 1.3.1 (for a summary of this book, see C Angelopoulos, 'Harmonising Intermediary Copyright Liability in the EU: A Summary' in G Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (Oxford: Oxford University Press, 2020) 315–334.

2 Opinion of Advocate General (AG) Saugmandsgaard Øe in joined cases C-682/18 and 683/18, *YouTube*, 16 July 2020, para. 103.

3 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society [2001] OJ L167/10 [hereinafter InfoSoc Directive].

4 L Bently et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 194.

5 Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market (Directive on Electronic Commerce) [2000] OJ L 178/1 [hereinafter E-Commerce Directive or ECD].

6 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on Copyright and Related Rights in the Digital Single Market and Amending Directives 96/9/EC and 2001/29/EC [2019] OJ L130/92 [hereinafter CDSMD].

commentators, the CJEU-made harmonization of accessory liability has resulted in a structured set of rules that respect the divide between primary and accessory liability in substance if not in form. The same is not true of the reforms undertaken by the EU legislator.

The exclusive rights of the copyright owner in the directives

Four exclusive economic rights of the author of a copyright protected work are recognized in the EU *acquis*. These reserve for the holder control over the reproduction of the work (see the discussion in Chapter 7), the communication to the public of the work (see Chapter 9), the distribution of the work or copies of the work (for an analysis, see Chapter 8) and the rental and lending of the work or copies of the work.[7] For the purposes of this chapter, the most significant developments have occurred in relation to the communication and distribution rights. It is therefore on these that the analysis below will focus. First, the communication right, the most relevant of the two, shall be discussed. Then the distribution right shall briefly be considered.

The right of communication to the public

The right of communication to the public was added to the EU's copyright legislation with Article 3(1) of the InfoSoc Directive. Although this does not provide a full definition of the notion of communication to the public, it does make clear that the right covers both acts done by wire and by wireless means, as well as acts of making available to the public.

Further insight is offered by Recital 23 of the Directive. This confirms that the right of communication to the public should be interpreted broadly to cover "all communications to the public not present at the place where the communication originates". It also intimates that such communication must amount to a transmission or retransmission. Local communications, such as public performances, recitations and displays are therefore excluded.[8] On the other hand, broadcasting, cable and – of course – online transmissions are covered by the right. According to Bechtold, even a transmission of a public performance via technical means to an audience in an adjacent room may qualify.[9]

Making available differs from other types of communication to the public in that it enables, once it is completed, members of the public to access the work from a place and at a time individually chosen by them, i.e. on demand.[10] Thus, the right of communication to the public covers both so-called 'linear' and 'non-linear' services. The first are those that, along a more traditional paradigm, 'push' content to a user that is not granted individual control over when and where to access the work. This might take the form of, for example, regular television and radio transmissions, as well as their more modern equivalents of webcasting and internet radio services. Non-linear services, by contrast, refer to user-initiated modes of communication, such as the uploading of music or video files onto Web 2.0 sharing websites or online streaming services that allow the consumer to 'pull' content at her convenience.[11] Crucially, the CJEU has been clear that whether or not any person actually retrieves the

7 Articles 2-4 of the InfoSoc Directive.

8 See CJEU, C-283/10, *Circul Globus Bucuresti*, 24 November 2011.

9 S Bechtold in T Dreier and P B Hugenholtz (eds), *Concise European Copyright Law* (Alphen aan den Rijn: Kluwer Law International, 2016) 442.

10 CJEU, C-135/10, *SCF*, 15 March 2012. See also case C-279/13, *C More Entertainment*, 26 March 2015.

11 This was temporarily questioned by the introduction by the CJEU of the 'new public' condition (see below) and the CJEU's decision in Case C-161/17, *Renckhoff*, 7 August 2018.

work is irrelevant. The 'critical act' is the offering of the work which precedes the stage of its actual 'on-demand transmission'.[12]

A limitation on the reach of the right is introduced by Recital 27 of the InfoSoc Directive. According to this, the 'mere provision of physical facilities for enabling or making a communication' does not in itself amount to a communication. It is not clear what kind of act would qualify as a 'mere provision of physical facilities'. Although in the early days of the debate broader interpretations were suggested,[13] as shall be seen below, the case law of the CJEU has opted for a narrower approach. The precise location of the distinction between a communication to the public and a mere provision of physical facilities is significant for the purposes of distinguishing between primary and accessory liability: while no direct infringement of the communication right will result from an act that amounts to a mere provision of physical facilities, Recital 27 does not exclude accessory liability.

Further than this, not much can be divined from the text of Directive. Instead, an autonomous and uniform EU understanding of the notion has been unveiled gradually through a series of cases decided by the CJEU.[14] The Court has developed a formula that rests on two cumulative conditions. To amount to a communication to the public, an act must involve: (a) an 'act of communication' that is made to; (b) a 'public'. To determine when this is the case, the Court considers 'several complementary criteria, which are not autonomous and are interdependent'. According to the Court, these criteria must be applied individually and in light of their interaction with one another, given that in different specific situations they may be met to varying degrees. As a result, an 'individual assessment' of the circumstances of each case of a communication to the public is necessary.[15] Through this mechanism, the basic elements of an 'act of communication' and a 'public' have been used by the CJEU to introduce two new conditions: the notion of a 'new public' and a new mental element. Each of these shall be discussed in turn below.

The act of 'communication'

The CJEU's case law on the 'act of communication' has been abundant and not always consistent. According to the Court, the existence of an 'act of communication' will depend on whether the defendant has played an 'indispensable role' through a 'deliberate intervention'. This will be the case, where the defendant 'intervened, in full knowledge of the consequences' of their action, to 'give access' to a protected work to persons who would otherwise 'in principle' not have been able to enjoy it.[16]

This definition is not easy to apply. Perhaps precisely because its approach is intentionally 'individualised', the Court does not always engage clearly with each of the factors it lists, while its exact interpretation has evolved over time. This is particularly noticeable with regard to the requirement of 'indispensability' and its limitation to acts 'in principle'

12 CJEU, C-263/18, *Tom Kabinet*, 19 December 2019, para. 64. See also Proposal for a European Parliament and Council Directive on the harmonization of certain aspects of copyright and related rights in the Information Society, Brussels, 10 December 1997, COM(97) 628 final.

13 See, e.g. K Koelman and P B Hugenholtz, 'Online Service Provider Liability for Copyright Infringement', Workshop on Service Provider Liability, Geneva, 9 and 10 December 1999.

14 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 31.

15 CJEU, C-162/10, *Phonographic Performance (Ireland),* 15 March 2012, para. 29–30; CJEU, C-160/15, *GS Media*, 8 September 2016, para. 32–34.

16 CJEU, C-160/15, *GS Media*, 8 September 2016, para. 35; CJEU, C-162/10, *Phonographic Performance (Ireland)*, 15 March 2012, para. 31; CJEU, C-135/10, *SCF*, 15 March 2012, para. 82; CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 42; CJEU, joined cases C-403/08 and C-429/08, *Football Association Premier League*, 4 October 2011, para 195.

necessary for others to access the work.[17] The flexibility introduced by the words 'in principle' has allowed this condition to morph over time into one of an 'essential role'.[18] The Court now accepts that it is sufficient that the public would otherwise have been able to enjoy the work 'only with difficulty'.[19]

This development has been particularly controversial in the area of hyperlinks. A link to a hyperlink does not 'transmit', as Recital 23 suggests is necessary, a work at all. Instead, hyperlinking to infringing content uploaded by somebody else seems like a prime candidate for accessory liability. Nevertheless, in *Svensson*, the CJEU held that that the provision of a hyperlink to a copyright-protected work amounts to an act of communication. This conclusion has been heavily criticized.[20] In his Opinion on *GS Media,* Advocate General (AG) Wathelet invited the Court to revise its *Svensson* findings. According to the AG, hyperlinks merely facilitate locating content on the internet and are therefore not indispensable to users. The 'act of communication' of the work is instead done by the person who made the initial upload.[21] The AG observed that any other interpretation would impair the functioning of the internet and distort the fair balance between the rights of copyright owners and users.

Uncertainty also surrounds the notion of a 'deliberate' intervention. The Court has used the word 'intentional'[22] as a synonym and has also described the condition as requiring an intervention done 'in full knowledge of the consequences of the action'.[23] Although it is tempting to connect this notion to the requirement of absolute or constructive knowledge introduced in *GS Media*[24] (see below), the better interpretation is that the condition is an objective one, referring to an element of volition.[25] The Court's wording links the intent to the 'consequences' of the defendant's action, suggesting that what is necessary is an understanding on the part of the defendant, not of whether the use is infringing or not, but of the fact that his actions gave access to the public to works they would not otherwise ('in principle') have been able to enjoy. This would suggest that the condition is intended to exclude acts over which the defendant does not exercise control.

In light of these uncertainties, an overview of acts that the Court has considered to amount to an 'act of communication' might be more helpful than an analysis of the applicable test. In addition to the provision of hyperlinks, such acts include:

- The installation of facilities that allow for the distribution of a signal through TV or radio sets
  - to individual hotel rooms[26]
  - in a pub[27]

17 CJEU, C-117/15, *Reha Training*, 31 May 2016, para. 46, citing case C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 42 and joined cases C-403/08 and C-429/08, *Football Association Premier League*, para. 195.

18 CJEU, C-527/15, *Filmspeler,* 26 April 2017, para. 31.

19 CJEU, C-610/15, *Ziggo*, 14 June 14, para. 26.

20 See, e.g. European Copyright Society, 'Opinion on the Reference to the CJEU in Case C-466/12 *Svensson*', University of Cambridge Legal Studies Research Paper Series No. 6/2013, 15 February 2013.

21 Opinion of AG Wathelet in C-160/15, *GS Media*, 7 April 2016, para. 54 and 60.

22 CJEU, joined cases C-403/08 and C-429/08, *Football Association Premier League*, 4 October 2011, para 195–196.

23 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 42.

24 CJEU, C-160/15, *GS Media*, 8 September 2016, para. 49.

25 L Bently et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 165 and 171; M Leistner, 'Intermediary Liability in a Global World' in T E Synodinou (ed), *Pluralism or Univertialism in International Copyright Law* (Alphen aan den Rijn: Kluwer Law International, 2019) and M Leistner, 'Is the CJEU outperforming the Commission' (26 November 2017), available at http://dx.doi.org/10.2139/ssrn.3077615.

26 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 42.

27 CJEU, joined cases C-403/08 and C-429/08, *Football Association Premier League*, 4 October 2011, para 196.

  - to the rooms of patients in a health establishment providing spa treatment services[28]
  - in waiting rooms and training rooms in a rehabilitation center[29]
- The provision of physical or digital phonograms and apparatus on which these may be played in hotel bedrooms[30]
- The playing of background music in a private dental practice[31]
- The sale of a multimedia device pre-loaded with links to copyright infringing streaming services[32]
- The making available and management of a sharing platform which, by means of indexation of metadata on protected works and the provision of a search engine, allows its users to locate those works and to share them through a peer-to-peer network[33]
- The uploading of a work onto a website[34]
- The listing of a used e-book for sale on the website of a used e-book trader[35]

The notion of a 'public'

The InfoSoc Directive gives no indication of how many persons comprise a 'public' nor what type of relationship may exist between them. The CJEU has held that the term refers to an 'indeterminate number' of users,[36] meaning that 'specific individuals belonging to a private group' should be excluded.[37] A 'public' must also consist of a 'fairly large number of people'.[38] The notion thus incorporates a certain *de minimis* threshold which excludes groups of persons which are too small or insignificant.[39] On the other hand, it is not necessary that all members of the public be reached simultaneously. Instead, the incorporation of the making available right within the right of communication to the public means that, in order to determine whether the public is large enough, account must be taken of the cumulative effects of persons who access the work in succession of each other.[40]

On this basis, the Court has held that the large number of successive viewers in hotel rooms suffice to form a 'public' within the meaning of the Directive.[41] A public will also be reached by the website of a second-hand e-book trader on which any user can open an account, if that trader does not implement technical measures to ensure that only one user can download a given copy of each e-book each time it is made available.[42] Residents in the bedrooms of a health spa,[43] the patients of a rehabilitation center while in the establishment's waiting and

28 CJEU, C-351/12, *OSA*, 27 February 2014, para. 26.
29 CJEU, C-117/15, *Reha Training*, 31 May 2016, para. 54–56.
30 CJEU, C-162/10, *Phonographic Performance (Ireland)*, 15 March 2012, para. 67–68.
31 CJEU, C-135/10, *SCF*, 15 March 2012, para. 94.
32 CJEU, C-527/15, *Filmspeler*, 26 April 2017, para. 42.
33 CJEU, C-610/15, *Ziggo*, 14 June 14, para. 39.
34 CJEU, C-161/17, *Renckhoff*, 7 August 2018, para. 21.
35 CJEU, C-263/18, *Tom Kabinet*, 19 December 2019, para. 65.
36 CJEU, C-89/04, *Mediakabel*, 2 June 2005, para. 30 and C-192/04, *Lagardère*, 14 July 2005, para. 31.
37 See CJEU, C-162/10, *Phonographic Performance (Ireland)*, 15 March 2012, para. 33–35 and CJEU, C-135/10, *SCF*, 15 March 2012, para. 83–87.
38 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 38.
39 CJEU, C-162/10, *Phonographic Performance (Ireland)*, 15 March 2012, para. 35.
40 See CJEU, C-263/18, *Tom Kabinet*, 19 December 2019, para. 44 and 67.
41 CJEU, C-306/05, *SGAE v Rafael Hoteles,* 7 December 2006, para. 39.
42 CJEU, C-263/18, Tom Kabinet, 19 December 2019, para. 69. For an analysis, see C Angelopoulos, 'The Digital Exhaustion of Copyright' (2020) 79(2) *The Cambridge Law Journal* 227–230.
43 CJEU, C-351/12, *OSA*, 27 February 2014, para. 27–30.

training rooms,[44] the customers of an online video recording system[45] and the potential users of a website[46] have all been found to comprise a 'public' for the purposes of Article 3 of the InfoSoc Directive. On the other hand, the patients of a dental surgery were, perhaps surprisingly, not held to amount to a 'public'. According to the CJEU, this was because they form a consistent and thus determinate circle. Their numbers also tend to be insignificant and, while patients do attend dental surgeries in succession, they do not generally hear the same phonograms.[47]

A 'new' public

In line with the CJEU's standing case law, it is additionally necessary that – when the initial and the defendant's communication take place using the same technical means[48] – the 'public' that is reached through the 'act of communication' be a 'new' one, i.e. one that was not already taken into account by the copyright holders when they authorized the initial communication to the public of the work. This condition was first introduced in *SGAE*, in which the Court held that the installation of the television sets in individual hotel rooms gave access to a new section of the receiving public which otherwise, although physically in the catchment area, would not have been able to enjoy the work – to a 'new public'.[49] Subsequent case law has solidified the introduction of the 'new public' condition.[50] The concept has caused objections among commentators who note that it finds no support in the international treaties[51] and introduces a principle of exhaustion of the right of communication to the public.[52]

How to determine when a 'new' public is reached is not clear. The definition adopted by the Court makes reference to the expectations of the rightholder. However, these appear to be assessed in an objective way. So, in *SGAE*, the CJEU held that, when authors authorize the broadcast of their works, they only consider direct users, i.e. the owners of domestic reception equipment and their families. By contrast, the use of 'booster' aerials to ensure

44 CJEU, C-117/15, *Reha Training*, 31 May 2016, para. 59.

45 CJEU, C-265/16, *VCAST*, 29 November 2017, para. 47.

46 See CJEU, C-466/12, *Svensson and Others,* 13 February 2014, para. 22 and C-161/17, *Renckhoff*, 7 August 2018, para. 23.

47 CJEU, C-135/10, *SCF*, 15 March 2012, para. 95–96.

48 This was established in *ITV Broadcasting and Others*, where the Court found that the defendant, TVCatchup, when engaging in communication to the public when it retransmitted terrestrial television broadcasts over the internet via live online streaming, despite the fact that this was to a public that was already legally entitled to follow the televised broadcast by virtue of their television license. The Court held that, given that the providers of the streams used technical means different from those of the original communication, there was no longer any need to examine the requirement that there be a 'new public'. Interestingly, *SGAE* could have been resolved by applying the 'other technical means' test (see L Bently et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 168). Once again, this demonstrates the interconnected nature of the CJEU's approach to the communication right.

49 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 40–42.

50 See, e.g. CJEU, joined cases C-403/08 and C-429/08, *Football Association Premier League*, 4 October 2011, para 197; CJEU, C-136/09, *Divani Akropolis*, 18 March 2010, para. 38; CJEU, joined cases C-431/09 and C-432/09, *Airfield*, 13 October 2011, para. 72.

51 P B Hugenholtz and S van Velze, 'Communication to a New Public? Three Reasons Why EU Copyright Law Can Do Without a 'New Public' (2016) 47(7) *IIC (International Review of Intellectual Property and Competition Law)* 797–816.

52 See, for example, ALAI, 'Opinion Proposed to the Executive Committee and adopted at its meeting, 17 September 2014 on the criterion "New Public", developed by the Court of Justice of the European Union (CJEU), put in the context of making available and communication to the public', available at http://www.alai.org/en/assets/files/resolutions/2014-opinion-new-public.pdf (last accessed 20 August 2020).

or improve reception by the public toward which the original act of communication was directed does not lead to a 'new public'.[53] In *Tom Kabinet,* the Court found that the licenses issued by e-book publishers generally authorize the downloading user to only read the book from his own equipment, so that listing a used e-book for sale on a used e-book website makes it available to a 'new public'.[54]

The 'new public' criterion was of particular relevance in the CJEU's hyperlinking case law. As explained above, in *Svensson*, the Court found that the provision of hyperlinks to protected works amounts to an act of communication. At the same time, the Court held that where the link leads to works that have been made freely available on another website with the authorization of the rightholder there has been no 'new public', as long as the link does not circumvent restrictions to public access to the work.[55] The Court stated that this outcome would by no means be altered if the link were instead an embedded one that gave the impression that the work was appearing on the site on which it was found, while in fact it came from another site. The legality of such 'inline linking' was later confirmed in *BestWater.*[56] This finding can be questioned: arguably there is a difference between directing users to content uploaded elsewhere and embedding that content into one's own website.[57] Of course, once the Court had concluded that simple hyperlinks amount to acts of communication, further differentiation became difficult.

The Court's reasoning in *Svensson* is peculiar. It is worth noting that the 'new public' criterion is closely tied to the 'indispensability' requirement that is analyzed above. Indeed, in *SGAE*, the Court discusses the two in the same breath.[58] One has to wonder how they differ. Once it has been found that an act is an 'indispensable intervention' that thus amounts to an act of communication without which the public would not 'in principle' have been able to enjoy the work, the existence of a 'new public' should logically follow. That in *Svensson* the Court concluded that an 'act of communication' existed, which however provided access to a public that was not 'new' is strange. AG Wathelet's proposal that hyperlinks (unless enabling the circumvention of restrictive measures) are not indispensable is more convincing. It is possible that the decision is the effect of the Court's 'individualised approach': rather than two separate conditions that force the analysis to account for the nature of hyperlinks as part of the 'act of communication' or the 'public' criteria,[59] perhaps 'indispensability' and 'new public' should be understood as different facets of a single, unitary question. It is telling that *Svensson* is vague and perfunctory on the 'act of communication', making no mention of 'indispensability'.[60] If this is the case, then it is arguably the redundancy of the 'new public' condition in light of the 'indispensability' criterion that drove the expansion of the latter to include material the public would only be able to otherwise access 'with difficulty'.

The logical inconsistencies in *Svensson* became clear in *Renckhoff.*[61] That case concerned the unauthorized upload of copyright protected material that had already been uploaded elsewhere on the internet with the rightholder's permission. Instead of holding, in line with *Svensson,* that

53 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 41.
54 CJEU, C-263/18, *Tom Kabinet*, 19 December 2019, para. 71.
55 CJEU, C-466/12, *Svensson*, 13 February 2014, para. 24–31.
56 CJEU, C-348/13, *BestWater*, 21 October 2014.
57 M Leistner, 'Closing the Book on Hyperlinks' [2017] EIPR 327.
58 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 41.
59 This would be contrary to the more structured, analytical approach taken by the AG in *GS Media*, see Opinion of AG Wathelet, CJEU, C-160/15, *GS Media*, 7 April 2016, para. 57–60 and 70.
60 CJEU, C-466/12, *Svensson*, 13 February 2014, para. 16–20.
61 CJEU, C-161/17, *Renckhoff*, 7 August 2018.

the initial upload by the rightholder had made the content available to all internet users, the Court found that a 'new public' had been reached. According to the Court, the public taken into account by the copyright holder for the purpose of the authorized upload was composed solely of the users of that site, not all internet users. The Court justified departing from the *Svensson* precedent by setting its hyperlinking case law apart as *lex specialis*. It noted that, while hyperlinks contribute to the sound operation of the internet by enabling the organization of the vast amount of information shared on that network, this is not the case for unauthorized uploads. It thus concluded that the finding in *Svensson* that a new public was not reached was necessary in order to maintain the fair balance between copyright on the one hand and the freedom of expression and information of end-users, as well as the public interest, on the other hand within the context of that case.[62] Again, this policy-driven solution is an example of the 'individualised' approach undertaken by the Court. As with *Svensson,* it would probably have been easier to resolve *Renckhoff* through the lens of 'indispensability'.[63]

Knowledge or intention

The CJEU's decision in *Svensson* raised the question of what happens when a link leads to content that was uploaded without the authorization of the rightholder. This was considered by the Court in *GS Media*.[64] Although avoiding a break with its *Svensson* findings, the Court appears to have taken heed of the AG's warnings of the importance of hyperlinks to the internet and freedom of expression. It observed that, as a general rule, individuals who post links do not know and cannot reasonably know whether a work has been uploaded with the consent of the copyright holder. In such cases, the Court concluded that there can be no communication to the public. However, where the hyperlink provider knew or ought to have known (e.g. because he was notified by the copyright holder) that the hyperlink leads to an unauthorized work, a communication to the public will have occurred. Moreover, according to the Court, when a hyperlink is created for profit, the provider can be expected to carry out the necessary checks to ensure that the work was posted legally. As a result, a rebuttable presumption of knowledge exists for profit-seeking hyperlink providers. The element of profit had previously been identified by the Court as a relevant, but not necessary condition for a communication to the public. It thus sat somewhat uncomfortably alongside the two main conditions of the 'act of communication' and 'public'. With the rebuttable presumption, this third wheel came into its own.[65]

At first blush, the judgment gives the impression of returning the issue of hyperlinks to the first element of an 'act of communication'.[66] But *GS Media* goes beyond a mere examination of whether the defendant has control over his actions and instead focuses on whether or not he

62 CJEU, C-161/17, *Renckhoff*, 7 August 2018, para. 38–41.

63 The defendant's intervention was 'indispensable' for the public to access the work without the authorization of the rightholder on the website to which they posted it.

64 CJEU, C-160/15, *GS Media*, 8 September 2016.

65 CJEU, C-306/05, *SGAE v Rafael Hoteles*, 7 December 2006, para. 44; CJEU, joined cases C-403/08 and C-429/08, *Football Association Premier League*, 4 October 2011, para 204; CJEU, C-135/10, *SCF*, 15 March 2012, para. 88–91; CJEU, C-117/15, *Reha Training*, 31 May 2016, para. 49.

66 See, e.g. C Angelopoulos, 'Hyperlinks and Copyright Infringement' (2017) 76 (1) The Cambridge Law Journal, 32–35 and J Ginsburg, 'The Court of Justice of the European Union Creates an EU Law of Liability for Facilitation of Copyright Infringement: Observations on *Brein v. Filmspeler* [C-527/15] (2017) and *Brein v. Ziggo* [C-610/15] (2017)' (22 August 2017), Columbia Law and Economics Working Paper No. 572, Columbia Public Law & Legal Theory Paper # 14-557, available at https://ssrn.com/abstract=3024302 (last accessed

was aware of the infringing nature of the prior upload. It thus introduces a mental element to copyright infringement. The judgment has caused consternation among commentators, given the traditional understanding of copyright as a strict liability tort.[67] The requirement of a mental element instead is generally understood to be the hallmark of accessory liability.[68]

It is not clear at which step this mental element enters the analysis. While in *Svensson* the Court found that hyperlinking amounts to 'making available' and therefore an 'act of communication',[69] *GS Media* delicately avoids this conclusion. Instead, it carefully cordons off the *Svensson* findings as applicable only to hyperlinks to authorized content.[70] It then moves on to a consideration of hyperlinks to unauthorized content and states that where the knowledge condition is not met: (a) there is no 'intervention in full knowledge of the consequences of their conduct in order to give customers access to a work illegally posted on the internet' (i.e. no 'act of communication') and (b) all internet users already had access to the work anyway (i.e. no 'new public').[71] Both conclusions directly contradict the *Svensson* logic.

Where the knowledge element is met, the Court (in what is clearly an exercise of an individualized assessment of interdependent factors) avoids engaging in a structured analysis of 'act of communication' and 'new public' and instead focuses on the broader picture of whether a 'communication to the public' has occurred.[72] In this way, 'knowledge' is left hanging, unanchored to a pre-established part of the analysis. This is significant. While the Court acknowledges that hyperlinks to unauthorized content do not – if there is no knowledge – meet either the 'act of communication' or the 'new public' conditions, where the knowledge element is met, a 'causality jump' enables liability regardless.[73]

Subsequent case law integrates the knowledge element a bit more firmly into the standard framework. *Filmspeler* concerned the liability of the seller and manufacturer of a multimedia device that had been pre-loaded with links to infringing content and advertised to consumers as

20 August 2020). Published in French as 'La Cour de justice de l'Union européenne créé un droit européen de la responsabilité dérivée en matière de contrefaçon du droit d'auteur' (2017) 1 Auteurs et Médias 7.

67 L Bently et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 143; E Rosati, 'GS Media and Its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture' (2017) 54(4) *Common Market Law Review* 1221–1242.

68 This was acknowledged by AG Saugmandsgaard Øe in his Opinion in joined cases C-682/18 and 683/18, *YouTube*, 16 July 2020, see para. 102. For academic analyses, see C Angelopoulos, *European Intermediary Liability in Copyright: A Tort-Based Analysis* (Alphen aan den Rijn: Kluwer Law International, 2016), Ch. 3 (for a summary of this book, see C Angelopoulos, 'Harmonising Intermediary Copyright Liability in the EU: A Summary' in G Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (Oxford: Oxford University Press, 2020) 315–334); P Davies, *Accessory Liability* (Hart, 2015), Ch. 1–2; L Bently et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 222 and R Arnold and P Davies, 'Accessory Liability for Intellectual Property Infringement: The Case of Authorisation' (2017) 133(July) *LQR* 442–468.

69 CJEU, C-466/12, *Svensson*, 13 February 2014, para 19–20.

70 CJEU, C-160/15, *GS Media*, 8 September 2016, para. 40–43.

71 CJEU, C-160/15, *GS Media*, 8 September 2016, para. 48.

72 CJEU, C-160/15, *GS Media*, 8 September 2016, para. 49–52. In para. 50, the Court does states that links that circumvent restrictions amount to 'deliberate inventions without which those users could not benefit from the works' – but it does not follow through with a discussion of 'new public'. This finding in any case simply repeats what was said in *Svensson*.

73 In German, this approach is termed '*psychisch vermittlete Kausalität*' ('psychological causation'). The implication is one of a psychological identification of one person with an infringing act performed by another. See C Angelopoulos, *European Intermediary Liability in Copyright: A Tort-Based Analysis* (Alphen aan den Rijn: Kluwer Law International, 2016), Ch. 3 (summary in C Angelopoulos, 'Harmonising Intermediary Copyright Liability in the EU: A Summary' in G Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (Oxford: Oxford University Press, 2020) 315–334).

such.[74] *Ziggo* was about the liability of the infamous online index of digital content The Pirate Bay (TPB).[75] As opposed to *GS Media,* both judgments conclude that an 'act of communication' was performed.[76] They achieve this through the broadening of the indispensability condition discussed above. In *Filmspeler,* the Court grapples with the line between an 'act of communication' and the 'mere provision of physical facilities'. It concludes that, without the pre-installed links, purchasers of the multimedia player would 'find it difficult' to access the works, since streaming websites change frequently and are not easy to find.[77] While it is unclear how this reasoning explains why the multimedia player is not a 'mere physical facility',[78] what is important is that the Court viewed the facilitation of the location of streaming websites as sufficient to establish an 'act of communication'. It was then in *Ziggo* that the definition of an 'act of communication' was explicitly expanded to include interventions without which the end-users would only have been able to enjoy the work 'with difficulty'.[79]

In both judgments, having found an 'act of communication', the Court turns to discuss 'new public', immediately abandons that line of inquiry and instead segues into an analysis of the mental element.[80] The implication is not entirely clear. While it is possible that the Court views the mental element as part of 'new public',[81] no explanation is given of how the defendant's knowledge would influence whether an audience was reached other than that considered by the rightholder when they authorized the initial communication.

It is more likely that the mental element, much like the concept of 'profit' to which the Court has linked it, should be understood to be self-standing.[82] *Filmspeler* and *Ziggo* both confirm that it is necessary. In *Filmspeler*, the Court held that the sale of the multimedia player was made in full knowledge of the fact that the pre-installed add-ons with hyperlinks gave access to works published illegally on the internet. It substantiated this finding with the fact that the advertising for the player stated that it made it possible to watch content without the consent of the copyright holder.[83] In *Ziggo,* emphasis was placed on the fact that the operators of the TPB had been notified that their platform provided access to infringing content, that they had made clear, on blogs and online forums, their purpose to make protected works available to users and that they encouraged users to engage in infringement. It was also noted that a very large number of torrent files on TPB related to infringing content, so that the operators 'Could not have been unaware' that their platform was used for infringing purposes.[84] Both the operators of TPB and the Filmspeler manufacturers were found to have operated for profit.

The type of knowledge contemplated by the CJEU appears to be quite accommodating. The wording of *GS Media* ('knew or ought to have known'[85]) makes clear that both actual and constructive knowledge are sufficient. Moreover, whereas in *GS Media* and *Filmspeler* the knowledge

74 CJEU, C-527/15, *Filmspeler*, 26 April 2017.

75 CJEU, C-610/15, *Ziggo*, 14 June 2017.

76 CJEU, C-527/15, *Filmspeler*, 26 April 2017, para. 42 and CJEU, C-610/15, *Ziggo*, 14 June 2017, para. 39.

77 CJEU, C-527/15, *Filmspeler*, 26 April 2017, para. 41.

78 End-users in the catchment area of a broadcast would also find it difficult to DIY a television set so as to watch broadcast works.

79 CJEU, C-610/15, *Ziggo*, 14 June 2017, para. 26.

80 CJEU, C-527/15, *Filmspeler*, 26 April 2017, para. 47–52 and CJEU, C-610/15, *Ziggo*, 14 June 2017, para. 44–47.

81 And certainly has been interpreted this way by commentators: see, e.g. L Bently et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 170.

82 Potentially leaving 'new public' to be re-absorbed by 'indispensability'.

83 CJEU, C-527/15, *Filmspeler*, 26 April 2017, para. 50–51.

84 CJEU, C-610/15, *Ziggo*, 14 June 2017, para. 45–46.

85 CJEU, C-160/15, *GS Media*, 8 September 2016, para. 49.

discussed is of a specific infringement, in *Ziggo* general knowledge that infringement is rampant using the defendant's facilities was treated as sufficient. It is also worth noting that, in both *Filmspeler* and *Ziggo*, the defendant was found not merely to have acted with knowledge, but to have intended and encouraged copyright infringement. This (in addition to the profit-seeking purpose) is arguably why the implied duty of care introduced in *GS Media*[86] for hyperlink providers who acquire knowledge, e.g. through notification, is absent in these two cases.[87]

The distribution right

According to Article 4(1) of the InfoSoc Directive, authors enjoy the exclusive right to authorize or prohibit any form of distribution to the public by sale or otherwise of their works or of copies thereof. Questions have surrounded the definition of the notion of a 'sale or otherwise'. In 2014, in *Blomqvist*, the Court confirmed that a distribution to the public will be considered to have occurred where a contract for sale and dispatch has been concluded.[88] But what other acts might suffice is harder to determine. Much as with the right of communication to the public, a gradual expansion can be observed in the interpretative case law of the CJEU.

In 2008, in *Peek & Cloppenburg* the CJEU appeared to take a restrictive approach, finding that the concept of distribution to the public otherwise than through sale requires a transfer of the ownership of the copy of the work.[89] The case concerned the display for decorative purposes in a shop window of an armchair that had been manufactured without the copyright holder's consent. Furniture did not enjoy copyright protection at the time in Italy, where the chair was manufactured, but could be protected under German copyright law under the concept of works of applied art. As the display took place in Germany, this raised the question of the location of any potential act of distribution. The CJEU's conclusion meant that no act of copyright infringement had occurred in either country (on questions of applicable law in cross-border disputes, see the discussion in Chapter 20).

The narrow interpretation in *Peek* was undermined by subsequent decisions. In 2012, in *Donner,* the CJEU concluded that an act of distribution to the public may encompass a 'series of acts'. According to the Court, this will 'at the very least' include the conclusion of a contract of sale and the performance of that contract by delivery to a member of the public.[90] Later, in *Dimensione Direct*, the Court relied on the words 'at the very least' to find that acts or steps preceding the conclusion of a contract of sale may also fall within the concept of distribution.[91] On this basis, it held that an offer of a contract of sale, an invitation to submit an offer and advertising the goods, even if that advertising does not lead to a purchase, fall within the 'series of acts' covered by the distribution right. This means that multiple acts of distribution might occur in relation to the same copy of a work by different persons and in different jurisdictions. This approach broadens the concept of a 'distribution' to encompass acts that

86 See CJEU, C-160/15, *GS Media*, 8 September 2016, para. 53: 'rightholders, in all cases, have the possibility of informing [the providers of hyperlinks] of the illegal nature of the publication of their work on the internet and of taking action against them if they refuse to remove that link'. This has been identified by commentators as an implied notice-and-take-down regime, see, e.g. E Rosati, 'The CJEU Pirate Bay Judgment and its Impact on the Liability of Online Platforms' (2017) 39(12) *EIPR* 737–748.

87 C Angelopoulos and J P Quintais 'Fixing Copyright Reform: A Better Solution to Online Infringement' (2019).

88 CJEU, C-98/12, *Blomqvist*, 6 February 2014, para. 29.

89 CJEU, C-456/06, *Peek & Cloppenburg*, 17 April 2008, para. 41.

90 CJEU, C-5/11, *Donner*, 21 June 2012, para. 26.

91 CJEU, C-516/12, *Dimensione Direct*, 13 May 2015, para. 26.

might otherwise have been considered to provide *ex ante* or *ex post* support to the material act of distribution. This broadening can be justified by reference to the purpose of the acts: whereas in *Peek* the display took place for a purpose other than sale, in *Donner* and *Dimensione* acts that do not involve a transfer of ownership were brought into the 'distribution' fold on the basis that they were done with the purpose of concluding or performing a sale.[92]

The significance of the acts' 'purpose' was explicitly acknowledged in 2019, in *Syed*. Here, the Court found that the mere storage by a retailer of copies of a work may amount to a distribution. Crucially, according to the Court, this is dependent on whether the retailer offers for sale, without the authorization of the copyright holder, goods identical to those stored and whether the stored goods are intended for sale.[93] In order to determine the purpose of the goods being stored, the Court instructed that all relevant factors must be taken into account, including the distance between the storage facility and the place of sale, the regular restocking of the shop with goods from the storage facilities at issue, accounting elements, the volume of sales and orders as compared with the volume of stored goods and current contracts of sale.[94]

Although more nascent than in the case of communication to the public, a mental element is clearly visible in the evolution of the case law on the distribution right: in *Donner, Dimensione* and *Syed,* the difference between liability and no liability lay in the purpose of the person engaging in the contested acts. In this way, as with the communication right, a conditional expansion occurs: an act of facilitation of a transfer of ownership (e.g. the storage, advertising or delivery of infringing goods) may amount to an act of distribution and thereby attract direct liability, if it was intended to result in – encourage, procure, enable – a sale.

Accessory liability in the EU

The implications of *GS Media, Donner* and their progeny for EU copyright law are significant. Most obviously, the EU harmonization of copyright is no longer limited to conventional 'primary' liability, but extends to acts that in many Member States had hitherto been considered to be the domain of 'accessory' liability. Through the broadening of the conduct covered by the exclusive rights, such acts are 'pulled' into the concepts of 'distribution' and 'communication to the public', so that the liability they establish is branded 'primary' and thereby subject to the *acquis*. At the same time, the essential nature of these acts remains accessorial: they are acts of facilitation of infringements performed by others (the persons who sell the goods, who uploaded the content, who used to multimedia player to stream or download infringing copies). If the CJEU had respected the division between 'primary' and 'accessory' liability, it would have been unable to offer any harmonizing input on key questions of modern copyright law: the liability of hyperlinkers, of the providers of file-sharing tools, of those who enable the rampant copyright infringement brought about by the internet, as well as of those who store, transport or advertise infringing copies. It found its answer in a deconstruction of the division between 'primary' and 'accessory' that collapses the rules of copyright infringement into a single, hybrid liability regime.[95]

In this way, the exclusive rights set out in the InfoSoc Directive can be used to harmonize acts that facilitate *ex ante* or promote *ex post* copyright infringement. This expansion

92 L Bently et al., *Intellectual Property Law* (Oxford: Oxford University Press, 2018) 150.

93 CJEU, C-572/17, *Syed*, 19 December 2018, para. 40.

94 CJEU, C-572/17, *Syed*, 19 December 2018, para. 39.

95 A Ohly, 'The Broad Concept of "Communication to the Public" in Recent CJEU Judgments and the Liability of Intermediaries: Primary, Secondary or Unitary Liability?' (2018) 13(8) *Journal of Intellectual Property Law & Practice* 664–675.

has not been an uncontrolled one. For both the distribution and the communication rights, the broadening of the conduct element is harnessed by the introduction of a mental element, typical of accessory liability at the national level. Although this has not yet been explicitly acknowledged by the CJEU, this new mental element should not be understood to alter the strict liability nature of primary copyright infringement. This is indicated by the fact that post-*Ziggo* decisions of the CJEU on traditional primary acts of communication to the public have neither made reference to the new mental element nor to the subtle reformulation of the an 'act of communication' to include acts that make infringement by others less 'difficult'.[96] The concept of a distribution can be divided in a similar way, so that a 'transfer of ownership' is necessary for 'primary' (i.e. strict) liability, whereas acts preceding or concluding that transfer are approached via 'accessory' (i.e. fault-based) liability.

The result is an EU accessory liability regime that is encrusted onto, rather than folded into, the rules on primary liability. Accessory liability emerges as a *lex specialis* form of 'distribution' and 'communication to the public' that finds its origins in the rules on primary liability, but diverges from them.

Article 17 of the Directive on Copyright in the Digital Single Market

In April 2019, following heated political discussions, the Directive on Copyright in the Digital Single Market (CDSMD) was adopted. Article 17 of the Directive focuses on what it terms 'online content sharing service providers' (OCSSPs). These are defined in Article 2(6) CDSMD as online service providers at least one of the main purposes of which is to store and give the public access to large amounts of copyright-protected works that are uploaded by their users and which the provider organizes and promotes for profit-making purposes.[97] According to Article 17 CDSMD, OCSSPs, when giving the public access to works that were uploaded by their users, perform an act of communication to the public or of making available to the public. The consequences of this qualification are complicated. Briefly, in order to avoid liability, OCSSPs are obliged to attempt to license the use. Otherwise, a set of duties of care is imposed upon them, compliance with which unlocks an immunity.[98] Specifically, according to Article 17(4) CDSMD, they have to show that they undertook 'best efforts' to obtain authorization, to ensure infringing works do not appear on their platform and to take down and prevent the repost of any infringing content brought to their attention.[99]

The relationship between Article 17 CDSMD and Article 3 of the InfoSoc Directive is not clear. Recital 64 suggests that Article 17 is a 'clarification' of existing law. This idea raised objections during the legislative process for the adoption of the CDSMD, with many commentators arguing that it is not supported by the CJEU's pre-existing case law. As noted above, while the CJEU has gradually expanded the concept of communication to the public to encompass accessory activities of the type engaged in by OCSSPs, this has been on the condition that a mental element can be shown. By contrast, Article 17 CDSMD makes no mention of knowledge or intention, focusing instead entirely on the conduct of the relevant providers. To that extent, contrary to the CJEU case law on accessory liability, it represents a true expansion of primary liability at the expense of accessory liability.

96 For example, CJEU, C-161/17, *Renckhoff*, 7 August 2018 and C-263/18, *Tom Kabinet*, 19 December 2019, para. 71.

97 The definition is complemented with a non-exhaustive list of special carve-outs. Further guidance is provided by Recitals 62 and 63.

98 For a detailed analysis, see G Spindler, 'The Liability System of Art. 17 DSMD and National Implementation – Contravening Prohibition of General Monitoring Duties?' (2020) 10 *JIPITEC* 344.

99 See Article 17(4) CDSMD.

Two possibilities present themselves. Either:

a Article 17 CDSMD constitutes a sub-right carved-out from Article 3 of the InfoSoc Directive with *lex specialis* status, meaning that the concept of communication to the public must be interpreted identically in both, even while they result in different consequences;
b Alternatively, Article 17 CDSMD could introduce a wholly new *sui generis* right that operates outside the framework of Article 3 of the InfoSoc Directive, allowing the new interpretation of 'communication to the public' which it introduces to diverge from that in Article 3.[100]

As the previous analysis reveals, in light of the current understanding of communication to the public in the InfoSoc Directive, the second of these options appears to be the most convincing. This is also best supported by the wording of Article 17(1) CDSMD, which states that OCSSPs when giving public access to works uploaded by users perform an act of communication to the public 'for the purposes' of the CDSMD. If that is the case, Articles 3 of the InfoSoc Directive and 17 CDSMD would be are able to operate completely independently from one another.

If, however, the first of the above options proves correct, how to reconcile the conflicting definitions of communication to the public provided in the CJEU case law and the new directive will have to be determined. One possibility would be reading a mental element into Article 17 CDSMD, in the same way the CJEU has already done for Article 3 of the InfoSoc Directive. Alternatively, the CDSMD could be seen as amending the previous understanding of communication to the public in the InfoSoc Directive. While Article 1(2) CDSMD states that the provisions of the new directive do not affect existing rules laid down in previous directives, it does not afford the same consideration to the interpretative case law. Having said that, Recital 64 is more accommodating, clarifying that the new rules should not be taken to affect the concept of communication to the public elsewhere 'in EU law' (potentially therefore including case law) or the application of Article 3 of the InfoSoc Directive to other service providers.

Three requests for preliminary rulings pending before the CJEU at the time of writing are expected to provide an answer.[101] In his Opinion on two of these, AG Saugmandsgaard Øe advised that Article 3(1) of the InfoSoc Directive must be understood to mean that the operator of a video-sharing platform and the operator of a file-hosting and sharing platform (i.e. in the language of the CDSMD, OCSSPs) do not carry out an act of 'communication to the public' within the meaning of that provision when users upload protected works to their platforms.[102] If the CJEU follows this approach, it will mean that 'communication to the public' will have a different meaning in the InfoSoc Directive and CDSMD and a fault-dependent accessory liability regime can be maintained in EU copyright law.

In any event, arguably a mental element can also be read into Article 17 CDSMD via the conditions of the Article 17(4) immunity. According to this, liability does not attach where an OCSSP abides by certain obligations. The implications depend on the interpretation of those obligations. According to Article 17(3) CDSMD, the safe harbor of Article 14(1) of the E-Commerce Directive does not apply to OCSSPs when these perform acts of communication to the public under Article 17 CDSMD. This potentially implies that the prohibition on monitoring obligations

100 For a more detailed exploration of the available options and their consequences, see M Husovec and J P Quintais, 'How to license Article 17? Exploring the Implementation Options for the New EU Rules on Content-Sharing Platforms' (2019) Working Paper, available at https://hdl.handle.net/11245.1/594de21b-1e8e-4241-a39b-4cb4730f2b33 (last accessed 20 August 2020).

101 Case C-682/18, *LF v Google*, Case C-683/18, *Elsevier v Cyando*, and C-500/19, *Puls 4 TV*, currently pending.

102 This was acknowledged by AG Saugmandsgaard Øe in his Opinion in joined cases C-682/18 and 683/18, *YouTube*, 16 July 2020, para. 94–106.

which Article 15 of the E-Commerce Directive introduces for providers covered by the safe harbors also does not apply to these providers. To cover the gap, Article 17(8) CDSMD states that the application of Article 17 CDSMD may not lead to a general monitoring obligation. The meaning of general monitoring being highly contested (see below), depending on the interpretation, this could mean that OCSSPs are obliged to proactively inspect the material on their platforms in order to prevent the (re-)upload of notified copyright-protected content or it could mean that less onerous action would suffice to show 'best efforts'. While the former interpretation would hold OCSSPs liable for all infringements occurring on their platform of protected content that has been brought to their attention by a copyright owner, the latter interpretation may result in an effective mental element not too far removed from that set out in *GS Media* and its progeny. Light should be shed on this issue by the CJEU's upcoming judgment on the challenge brought against Article 17 CDSMD by Poland.[103]

Exceptions and limitations

If the liability of accessories to copyright infringement in the EU is to be dealt with through expanding the exclusive rights of the copyright owner harmonized through Articles 2–4 InfoSoc Directive, the next question is 'what about the defences of Article 5 InfoSoc Directive'? One sentence in *GS Media* appears to address this issue. According to the Court, the providers of hyperlinks 'may not rely upon one of the exceptions listed in Article 5(3)'.

This statement gives rise to a curious contradiction: according to the CJEU, knowingly linking to copyright-infringing material constitutes a form of communication to the public. Yet, the hyperlinker may not benefit from the exceptions and limitations available to those who engage in a communication to the public, as set out in Article 5(3) InfoSoc Directive.

One explanation could be found in what has been termed the 'parasitic' nature of accessory liability. This means that accessory liability depends on the commission of an initial infringement by a principal party.[104] Given that the principal party will be able to invoke the exceptions and limitations to copyright, liability will not flow down to the accessory where they apply.[105] However, it might also be possible that the conditions of an exception or limitation do not cover the initial communication, but do so for the hyperlink itself. So, for example, a work may be illegally posted online by one person, but subsequently linked to by another for the purpose of reporting on a current event, for the purpose of criticism or review or for the purpose of caricature, parody or pastiche.[106]

103 See case C-401/19, *Poland v European Parliament and Council of the European Union*.

104 P S Davies, *Accessory Liability* (Hart Publishing, 2015) 1–2, 12.

105 It is worth noting that, although the CJEU in *GS Media* often appears to distinguish legally from illegally posted content by reference to the rightholder's authorization (see, e.g. para. 47, '[the hyperlinker] does not know and cannot reasonably know, that that work had been published on the internet without the consent of the copyright holder.'), it seems clear that it accepts that this is not the case (see, e.g. para. 49, where the Court instead refers to 'a work illegally placed on the internet.') Para. 53 also positions the rules of *GS Media* 'within the limits set by Article 5(3)' of the InfoSoc Directive.

106 More generally, in national law, accessory liability is subject to the same defenses as primary liability. See, e.g. on joint tortfeasance and authorization in the UK, R Arnold and P S Davies, "Accessory Liability for Intellectual Property Infringement: The Case of Authorisation" (2017) 133 *LQR* 442–468 at 465. Consider also the relationship between Chapters 4 and 5 of Book VI of the Draft Common Frame of Reference (DCFR), prepared by the Study Group on a European Civil Code and the Research Group on EC private law (Acquis Group), Outline Edition (Sellier 2009).

While *GS Media* does not appear to have contemplated this possibility, in *Spiegel Online* the Court did accept that a quotation may be made by means of a hyperlink to a work[107] (on quotation, see the discussion in Chapter 12). Admittedly, that case concerned links to material uploaded by the hyperlink provider, so that the 'accessory' nature of the act was somewhat muted.[108] Nevertheless, the principle should arguably extend to hyperlinks created by third parties.[109] If so, there is no reason to assume that this interpretation should not apply to other exceptions and limitations as well, nor to other kinds of accessory involvement in somebody else's infringement.[110] That being said, it may be that where an accessory acted with knowledge or intent (and is therefore *prima facie* liable), it will be harder to show that their behavior was 'in accordance with fair practice', as required by Article 5(3)(d) InfoSoc Directive.[111] Likewise, where the accessory acted for profit, the condition of a 'non-commercial use' that attaches to a number of the exceptions and limitations set out in Article 5 will not be met. This will be all the more likely for the providers of means used for mass online infringement, such as The Pirate Bay.

For OCSSPs, Article 17(7) CDSMD sets out is own set of exceptions and limitations. Notably, like *GS Media,* these treat exceptions and limitations as applicable only to users, not to the platforms themselves. Significantly, the optional character of the exceptions and limitations set out in Article 5 InfoSoc Directive for the Member States is overturned by Article 17(7) for acts falling within the scope of Article 17.[112] According to this, Member States must ensure that users, when uploading content onto an OCSSP, are able to rely on the exceptions for the purpose of quotation, for the purpose of criticism and review and for the purpose of caricature, parody and pastiche. Presumably, where a user is protected, the OCSSP shall not be held liable either. While the Directive is not clear on this point, it is implied by the fact that, in such cases, the availability of the work must not be prevented by the OCSSP.[113] Whether the OCSSP can enjoy an exception or limitation in its own right is not addressed by the Directive. If Article 17 is understood to set up a *sui generis* regime, then it is possible that the answer is 'no'. In that case, the platform's only way out of liability would be the conditional immunity of Article 17(4). This is not inappropriate. To the extent that an OCSSP simply maintains a public platform onto which users upload content, it will not be involved in infringements in such a way as to allow it to claim the protection of an exception or limitation. Any liability that arises as a result of a more active involvement by the OCSSP in a specific infringement should be assessed outside of the Article 17 framework.

Injunctions

One final aspect that must be considered when discussing the EU rules on accessory liability for copyright infringement is injunctions (on the specific topic of intermediary injunctions, see

107 CJEU, C-516/1, *Spiegel Online*, 29 July 2019, para. 12 and 80.

108 CJEU, C-516/1, *Spiegel Online*, 29 July 2019, para. 12.

109 Unless the Court views the hyperlink in *GS Media* as one and the same as the initial upload, so that any exception that covered the first is extended to the other, but considers that that would not be the case where the upload and hyperlink are done by different persons, for a different purpose and at different times.

110 The Court does justify its conclusion by reference to the importance of hyperlinks for the sound operation of the internet and therefore freedom of expression and of information (para. 81). However, similar considerations would likely cover many providers of means that enable both legitimate and illegitimate uses.

111 Indeed, the Court seems to imply that the specific links discussed in *Spiegel Online* should not enjoy the protection of Article 5(3)(d) for this exact reason, see para. 83.

112 For some discussion on the implications of this, see M Husovec and J P Quintais, 'How to license Article 17? Exploring the Implementation Options for the New EU Rules on Content-Sharing Platforms' (2019) Working Paper, available at https://hdl.handle.net/11245.1/594de21b-1e8e-4241-a39b-4cb4730f2b33.

113 If the OCSSP were liable, it would be incentivized to remove the content.

the discussion in Chapters 18 and 19). The E-Commerce Directive's safe harbors affect only monetary compensation, not injunctive relief.[114] Moreover, Article 8(3) of the InfoSoc Directive instructs Member States to ensure that rightholders may apply for an injunction against intermediaries whose services are used by a third party to infringe copyright or related rights. In certain national jurisdictions, injunctions provide the main tool through which accessory liability is approached in the area of copyright. This, for example, is the case in Germany, where the doctrine of 'interferer liability' (*Störerhaftung*) is primarily relied on to govern the liability of intermediaries for third party copyright infringements.[115] The doctrine does not enable claims for damages, but only for injunctive orders against intermediaries that require them to take measures both against existing and future uploads of infringing content.[116]

According to Recital 59 of the InfoSoc Directive, the conditions and modalities relating to injunctions against intermediaries should be left to the national law of each individual Member State. However, a significant limitation on the permissible scope of injunctions is imposed by the prohibition against general monitoring of Article 15 of the E-Commerce Directive. Recital 47 of the E-Commerce Directive contrasts 'general monitoring obligation' to monitoring obligations imposed in a 'specific case'. Further clarification has been left to the courts.

The definition of general monitoring has proved highly controversial. According to one school of thought, monitoring obligations are only general if the provider is under an obligation to locate any kind of illegal content on its platform *in general*. This view holds that, if the obligation is limited to identifying copies of specific works that have been previously brought to the provider's attention, the monitoring obligation is specific.[117] Others argue (more convincingly, in this author's opinion) that any obligation to monitor *all* of the content on a provider's system amounts to a general monitoring obligation.[118]

The CJEU's case law on the topic has been ambiguous. In its *SABAM* decisions, the CJEU appeared to adopt the second interpretation, firmly rejecting preventive obligations to actively observe all of the information stored on a platform or communicated through a network as incompatible with Article 15 of the E-Commerce Directive.[119] The Court further concluded that such obligations would be contrary to the principle of a fair balance between all relevant fundamental rights – namely the right of copyright owners to intellectual property, the freedom of intermediaries to conduct their business, and the right of end-users' to the protection of their personal data and their freedom to receive or impart information.[120] Moreover, while the injunctions at issue in those cases were drafted in very broad terms that would require the provider to identify any copyright infringement, in *McFadden*, the Court repeated that an obligation to monitor all of the information transmitted by an internet access provider would

114 Article 12(3), 13(2), 14(3) E-Commerce Directive. See also Recital 45 ECD.

115 See C Angelopoulos, *European Intermediary Liability in Copyright: A Tort-Based Analysis* (Alphen aan den Rijn: Kluwer Law International, 2016), section 3.3.

116 G Spindler, 'The Liability System of Art. 17 DSMD and National Implementation – Contravening Prohibition of General Monitoring Duties?' (2020) 10 *JIPITEC* 344 and A Ohly, 'The Broad Concept of "Communication to the Public" in Recent CJEU Judgments and the Liability of Intermediaries: Primary, Secondary or Unitary Liability?' (2018) 13(8) *Journal of Intellectual Property Law & Practice* 664–675.

117 A Lucas-Schloetter, "Transfer of Value Provisions of the Draft Copyright Directive (recitals 38, 39, article 13)", available at https://authorsocieties.eu/content/uploads/2019/10/lucas-schloetter-analysis-copyright-directive-en.pdf (last accessed 20 August 2020).

118 M Senftleben et al., 'Recommendation on Measures to Safeguard Fundamental Rights and the Open Internet in the Framework of the EU Copyright Reform' (2018) 40(3) *European Intellectual Property Review* 149–163.

119 CJEU, C-70/10, *Scarlet Extended*, 24 November 2010 para. 39–40 and CJEU, C-360/10, *SABAM v Netlog*, 16 February 2011, para. 37–38.

120 CJEU, C-70/10, *Scarlet Extended*, 24 November 2010 para. 53 and CJEU, C-360/10, *SABAM v Netlog*, 16 February 2011, para. 51.

amount to a general monitoring obligation.[121] There is no reason to suppose a different standard would apply to a hosting provider.

More recently however, in *Eva Glawischnig-Piesczek* (also discussed in Chapter 21), the CJEU appears to have pivoted toward the first interpretation. Here, it held that ordering a host to remove content which is identical or equivalent to content that has previously been declared to be unlawful would be compatible with Article 15 of the E-Commerce Directive. In the case of equivalent content, according to the decision, the 'monitoring of and search' for information which it requires are limited only to information is essentially unchanged from that declared to be unlawful by the court, so that the host provider does not have to carry out an independent assessment its legality.[122] It is not clear how the Court anticipates that providers will be able to limit monitoring only to equivalent content, given that the precise purpose of any monitoring would be to locate that content. Presumably, the judgment should be interpreted as allowed the monitoring of all content hosted by a platform for the purpose of locating content identical or equivalent to content found to be illegal. Even so, the Court's reasoning is hard to decipher. The ruling justifies allowing monitoring obligations directed at locating 'identical' content by interpreting such monitoring as monitoring 'in a specific case'.[123] However, it then introduces constraints on monitoring for 'equivalent' content by reference to the general monitoring prohibition.[124] This approach differs from both of the positions outlined above. Instead, uninhibited by the actual wording of the provision and its previous interpretative case law, *Eva Glawischnig-Piesczek* appears to approach the prohibition on 'general monitoring obligations' as a reasonableness rule. Regardless, the case concerned defamation. As opposed to the *SABAM* rulings, it also did not consider fundamental rights. Its impact in the area of copyright therefore remains to be seen.[125]

Conclusion

The conventional interpretation of Articles 2–4 of the InfoSoc Directive limited them to harmonizing primary liability for copyright infringement. In recent years however, the case law of the CJEU, in a bid to find a foothold for the creation of an EU rule on accessory copyright liability, has expanded their reach to cover the acts of those who support *ex ante* or promote *ex post* the copyright infringements of others. As a result, the distribution right now covers a 'series of acts' both preceding and following the transfer of ownership of a copy of a protected work. 'Communication to the public', by means of 'individualised assessments' of cases, has been held to include 'interventions' that, rather than being 'indispensable', allow third parties to access a work they would otherwise have been able to enjoy 'only with difficulty'. This broadened conduct element is controlled by the Court through the introduction of a new mental element – a significant innovation in an area previously regarded as a strict liability tort.

The result should be approached as a judge-made *lex specialis:* a special line of case law that originates in the provisions of the InfoSoc Directive, but has followed its own course. This line of case law should be seen as operating independently of the rules on primary copyright liability that are grounded in the same provisions. The alternative would mean a

121 CJEU, C-484/14, *McFadden*, 15 September 2016, para. 87.

122 CJEU, C-18/18, *Eva Glawischnig-Piesczeck*, 3 October 2019, para. 53.

123 CJEU, C-18/18, *Eva Glawischnig-Piesczeck*, 3 October 2019, para. 34–37.

124 CJEU, C-18/18, *Eva Glawischnig-Piesczeck*, 3 October 2019, para. 42–45.

125 See C Angelopoulos and M Senftleben, 'The Odyssey of the Prohibition on General Monitoring Obligations on the Way to the Digital Services Act: Between Article 15 of the E-Commerce Directive and Article 17 of the Directive on Copyright in the Digital Single Market' (October 2020), available at: https://ssrn.com/abstract= (last accessed 31 December 2020).

move toward the introduction of a mental element to primary infringement which is highly unlikely.

Complicating matters, the EU legislator has, in the meantime, with Article 17 of the CDSMD, adopted a new provision which relies on the concept of 'communication to the public' to introduce a harmonized rule on the liability of a specific subcategory of 'accessories': OCSSPs onto whose platforms users upload content, including copyright-protected content, in a publicly accessible manner. The relationship between Article 17 and the pre-existing framework of the InfoSoc Directive will be for the CJEU to determine. At the moment, the most convincing interpretation would view Article 17 as another *lex specialis:* an accessory liability rule whose requirements and consequences differ both from those of primary liability and accessory liability, as those have been interpreted by the Court.

The CJEU's judge-made solution to the lack of harmonizing provisions on accessory liability in the copyright directives has met with considerable skepticism among copyright commentators.[126] But it is not necessarily inappropriate. It should be recalled that not all national EU copyright laws operate on the basis of a distinction between primary and accessory liability. France, for example, has historically employed a similarly expansive interpretation of the exclusive rights of the copyright holder.[127] Common law jurisdictions are also familiar with 'hybrid' rights that straddle the fence between primary and accessory liability.[128] Articles 2–4 of the InfoSoc Directive instruct Member States to provide authors with a set of exclusive rights. Arguably, the infringement of those rights, whether directly or indirectly, is therefore a matter of Union law. Certainly, in an era whether accessory copyright infringement is often performed by end-users using tools provided by operators with an international reach, the harmonization of accessory liability in the EU appears appropriate. In the absence of an accessory liability regime adopted by the EU legislator and as long as a coherent and reliable structure is maintained for both primary and accessory copyright infringement, the CJEU's approach is not inherently problematic.

Having said that, the introduction of the new regime should be acknowledged by the EU legislator. The CDSMD's suggestion that Article 17 is a 'clarification' of the existing framework and the (potential) lack of a mental element to that provision suggest that, so far, the legislator has not properly appreciated the CJEU's approach to accessory copyright infringement. With the Commission's recent proposal for a new Digital Services Act (DSA), including revised rules on the responsibilities of online platforms,[129] and the CJEU's upcoming judgments on Article 17 CDSMD and on the communication right, an excellent opportunity exists for legislator and Court to properly plot coherent EU law on primary and accessory copyright liability.

126 L Bently *et al, Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018) 143; E Rosati, 'GS Media and Its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture' (2017) 54(4) *Common Market Law Review* 1221–1242; A Ohly, 'The Broad Concept of "Communication to the Public" in Recent CJEU Judgments and the Liability of Intermediaries: Primary, Secondary or Unitary Liability?' (2018) 13(8) *Journal of Intellectual Property Law & Practice* 664–675. See also the Opinion of AG Saugmandsgaard Øe in joined cases C-682/18 and 683/18, *YouTube*, 16 July 2020, see para. 104.

127 France has relied instead on the safe harbors to control the liability of intermediaries: see C Angelopoulos, 'Study on Online Platforms and the Commission's New Proposal for a Directive on Copyright in the Digital Single Market' (February 2017), available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2947800 (last accessed 20 August 2020).

128 See, e.g. the concept of 'authorisation' in the UK, R Arnold and P Davies, 'Accessory Liability for Intellectual Property Infringement: The Case of Authorisation' (2017) 133(July) *LQR* 442–468.

129 European Commission, 'Proposal for a Regulation of the European Parliament and of the Council on a Single Market for Digital Services (Digital Services Act) and amending Directive 2000/31/EC', Brussels, 15 December 2020, COM(2020) 825 final.

References

ALAI, 'Opinion Proposed to the Executive Committee and Adopted at its Meeting, 17 September 2014 on the Criterion "New Public", Developed by the Court of Justice of the European Union (CJEU), Put in the Context of Making Available and Communication to the Public', available at http://www.alai.org/en/assets/files/resolutions/2014-opinion-new-public.pdf (last accessed 20 August 2020).

Angelopoulos, C, *European Intermediary Liability in Copyright: A Tort-Based* Analysis (Alphen aan den Rijn: Kluwer Law International, 2016).

Angelopoulos, C, 'Hyperlinks and Copyright Infringement' (2017) 76(1) *The Cambridge Law Journal*, 32–35.

Angelopoulos, C, 'Study on Online Platforms and the Commission's New Proposal for a Directive on Copyright in the Digital Single Market' (February 2017), available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2947800 (last accessed 20 August 2020).

Angelopoulos, C, 'The Digital Exhaustion of Copyright' (2020) 79(2) *The Cambridge Law Journal*, 227–230.

Angelopoulos, C, 'Harmonizing Intermediary Copyright Liability in the EU: A Summary' in G Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (Oxford: Oxford University Press, 2020) 315–334.

Angelopoulos, C and Quintais, J P, 'Fixing Copyright Reform: A Better Solution to Online Infringement' (2019) 10 *JIPITEC* 147.

Angelopoulos, C and Senftleben, M, 'The Odyssey of the Prohibition on General Monitoring Obligations on the Way to the Digital Services Act: Between Article 15 of the E-Commerce Directive and Article 17 of the Directive on Copyright in the Digital Single Market' (October 2020), available at: https://ssrn.com/abstract= (last accessed 31 December 2020).

Arnold, R and Davies, P, 'Accessory Liability for Intellectual Property Infringement: The Case of Authorisation' (2017) 133(July) *LQR* 442–468.

Bechtold, S in Dreier, T & Hugenholtz, P B (eds), *Concise European Copyright Law* (Alphen aan den Rijn: Kluwer Law International, 2016) 442.

Bently, L et al., *Intellectual Property Law* (5th ed., Oxford: Oxford University Press, 2018).

Davies, P, *Accessory Liability* (Oxford: Hart, 2015).

Draft Common Frame of Reference (DCFR), prepared by the Study Group on a European Civil Code and the Research Group on EC Private Law (Acquis Group), Outline Edition (Sellier 2009).

European Commission, 'Proposal for a Regulation of the European Parliament and of the Council on a Single Market for Digital Services (Digital Services Act) and amending Directive 2000/31/EC', Brussels, 15 December 2020, COM(2020) 825 final.

European Copyright Society, 'Opinion on the Reference to the CJEU in Case C-466/12 *Svensson*', University of Cambridge Legal Studies Research Paper Series No. 6/2013, 15 February 2013.

Ginsburg, J, 'The Court of Justice of the European Union Creates an EU Law of Liability for Facilitation of Copyright Infringement: Observations on *Brein v. Filmspeler* [C-527/15] (2017) and *Brein v. Ziggo* [C-610/15] (2017)' (22 August 2017), Columbia Law and Economics Working Paper No. 572, Columbia Public Law & Legal Theory Paper # 14–557, available at https://ssrn.com/abstract=3024302 (last accessed 20 August 2020). Published in French as 'La Cour de justice de l'Union européenne créé un droit européen de la responsabilité dérivée en matière de contrefaçon du droit d'auteur' (2017) 1 Auteurs et Médias 7.

Hugenholtz, P B and van Velze, S, 'Communication to a New Public? Three Reasons Why EU Copyright Law Can Do Without a "New Public"' (2016) 47(7) *IIC (International Review of Intellectual Property and Competition Law)* 797–816.

Husovec, M and Quintais, J P, "How to License Article 17? Exploring the Implementation Options for the New EU Rules on Content-Sharing Platforms" (2019) Working Paper, available at https://hdl.handle.net/11245.1/594de21b-1e8e-4241-a39b-4cb4730f2b33 (last accessed 20 August 2020).

Koelman, K and Hugenholtz, P B, 'Online Service Provider Liability for Copyright Infringement', Workshop on Service Provider Liability, Geneva, 9 and 10 December 1999.

Leistner, M, 'Closing the Book on Hyperlinks' (2017) 39(6) *EIPR* 327.

Leistner, M, "Is the CJEU Outperforming the Commission" (26 November 2017), available at http://dx.doi.org/10.2139/ssrn.3077615 (last accessed 20 August 2020).

Leistner, M, 'Intermediary Liability in a Global World' in T E Synodinou (ed), *Pluralism or Univertialism in International Copyright Law* (Alphen aan den Rijn: Kluwer Law International, 2019).

Lucas-Schloetter, A, "Transfer of Value Provisions of the Draft Copyright Directive (recitals 38, 39, article 13)", available at https://authorsocieties.eu/content/uploads/2019/10/lucas-schloetter-analysis-copyright-directive-en.pdf (last accessed 20 August 2020).

Ohly, A, 'The Broad Concept of "Communication to the Public" in Recent CJEU Judgments and the Liability of Intermediaries: Primary, Secondary or Unitary Liability?' (2018) 13(8) *Journal of Intellectual Property Law & Practice* 664–675.

Rosati, E, 'The CJEU Pirate Bay Judgment and its Impact on the Liability of Online Platforms' 2017 39(12) *EIPR* 737–748.

Rosati, E, 'GS Media and Its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture' (2017) 54(4) *Common Market Law Review* 1221–1242.

Senftleben, M et al., 'Recommendation on Measures to Safeguard Fundamental Rights and the Open Internet in the Framework of the EU Copyright Reform' (2018) 40(3) *European Intellectual Property Review* 149–163.

Spindler, G, 'The Liability System of Art. 17 DSMD and National Implementation – Contravening Prohibition of General Monitoring Duties?' (2020) 10 *JIPITEC* 344.

Case law

CJEU, C-117/15, *Reha Training,* 31 May 2016, ECLI:EU:C:2006:764.
CJEU, C-135/10, *SCF*, 15 March 2012, ECLI:EU:C:2012:140.
CJEU, C-136/09, *Divani Akropolis,* 18 March 2010, ECLI:EU:C:2010:151.
CJEU, C-138/16, *Zürs.net,* 16 March 2017, ECLI:EU:C:2017:218.
CJEU, C-160/15, *GS Media,* 8 September 2016, ECLI:EU:C:2016:644.
CJEU, C-161/17, *Renckhoff,* 7 August 2018, ECLI:EU:C:2018:634.
CJEU, C-162/10, *Phonographic Performance (Ireland),* 15 March 2012, ECLI:EU:C:2012:141.
CJEU, C-18/18, *Eva Glawischnig-Piesczeck,* 3 October 2019, ECLI:EU:C:2019:821.
CJEU, C-192/04, *Lagardère,* 14 July 2005, ECLI:EU:C:2005:475.
CJEU, C-263/18, *Tom Kabinet,* 19 December 2019, ECLI:EU:C:2019:1111.
CJEU, C-265/16, *VCAST,* 29 November 2017, ECLI:EU:C:2017:913.
CJEU, C-279/13, *C More Entertainment,* 26 March 2015, ECLI:EU:C:2015:199.
CJEU, C-283/10, *Circul Globus Bucuresti,* 24 November 2011, ECLI:EU:C:2011:772.
CJEU, C-306/05, *SGAE v Rafael Hoteles,* 7 December 2006, ECLI:EU:C:2006:764.
CJEU, C-348/13, *Bestwater,* 21 October 2014, ECLI:EU:C:2014:2315.
CJEU, C-351/12, *OSA,* 27 February 2014, ECLI:EU:C:2014:110.
CJEU, C-360/10, *SABAM v Netlog,* 16 February 2011, ECLI:EU:C:2012:85.
CJEU, C-456*/06, Peek & Cloppenburg,* 17 April 2008, ECLI:EU:C:2008:232.
CJEU, C-466/12, *Svensson,* 13 February 2014, ECLI:EU:C:2014:76.
CJEU, C-484/14, *McFadden,* 15 September 2016, ECLI:EU:C:2016:689.
CJEU, C-5/11, *Donner,* 21 June 2012, ECLI:EU:C:2012:370.
CJEU, C-500/19, *Puls 4 TV,* currently pending.
CJEU, C-516/1, *Spiegel Online,* 29 July 2019, ECLI:EU:C:2019:625.
CJEU, C-516/12, *Dimensione Direct*, 13 May 2015, ECLI:EU:C:2015:315.
CJEU, C-527/15, *Filmspeler,* 26 April 2017, ECLI:EU:C:2017:300.
CJEU, C-572/17, *Syed,* 19 December 2018, ECLI:EU:C:2018:1033.
CJEU, C-607/11, *ITV Broadcasting*, 7 March 2013, ECLI:EU:C:2013:147.
CJEU, C-610/15, *Ziggo,* 14 June 14, ECLI:EU:C:2017:456.
CJEU, C-682/18, *LF v Google*, currently pending.
CJEU, C-683/18, *Elsevier v Cyando*, currently pending.
CJEU, C-70/10, *Scarlet Extended,* 24 November 2010, ECLI:EU:C:2011:771.
CJEU, C-89/04, *Mediakabel,* 2 June 2005, ECLI:EU:C:2005:348.
CJEU, C-98/12, *Blomqvist,* 6 February 2014, ECLI:EU:C:2014:55.
CJEU, joined cases C-403/08 and C-429/08, *Football Association Premier League,* 4 October 2011, ECLI:EU:C:2011:631.
CJEU, joined cases C-431/09 and C-432/09, *Airfield,* 13 October 2011, ECLI:EU:C:2011:648.
Opinion of AG Saugmandsgaard Øe, joined cases C-682/18 and 683/18, *YouTube,* 16 July 2020, ECLI:EU:C:2020:586.
Opinion of AG Wathelet in C-160/15, *GS Media*, 7 April 2016, ECLI:EU:C:2016:221.

11

PROVING COPYRIGHT PROTECTION AND INFRINGEMENT

Lessons from the CJEU

Julien Cabay

Abstract

Since its *Infopaq* case, for a decade the Court of Justice of the European Union (CJEU) has been harmonizing the requirements for copyright protection in the EU, leading to an abundant literature discussing the multiple facets on the concepts of "work", "originality" and "expression" shaped by the Court. However, the issues related to the proof of such protection were apparently left out the judicial harmonization and consequently, out of the debates in the Academia, perhaps because many assumed that these issues would fall into the realm of the procedural autonomy of the Member States. Yet in practice, these issues are complicated and both national copyright judges and lawyers are increasingly seeking guidance in relation thereto. In this chapter, leaning on the CJEU case law beyond copyright law, we suggest that the law of evidence as to the requirements for copyright protection and infringement is actually not left untouched by EU harmonization. To the opposite, we suggest that the CJEU will inevitably engage in shaping (some) aspects thereof in the future. Considering, in particular, the extensive resort to the Charter of Fundamental Rights and the "fair balance" doctrine developed by the CJEU in the field of copyright, we will try to outline this harmonization to come. In the meantime, we will also propose a blueprint for proving copyright protection in keeping with this doctrine. This will provide some food for thought to those in search of making concrete sense of the evasive "originality" criterion.

Contents

Abstract 215
Introduction 216
Proof of copyright outside the scope of harmonization? Lack of harmonization and procedural autonomy 218
From harmonizing substantive law to harmonizing the law of evidence: the examples of trade mark and design law 221
Effectiveness as a limitation on procedural autonomy 224
Proof of copyright inside the scope of harmonization: fair balance as a paradigm 228
A blueprint for proving copyright protection in the EU 232

Conclusion 238
References 240
Case law 241
Court of Justice 241
General Court 242
AG Opinions 242
Domestic case law 242

Introduction

In the aftermath of the *Infopaq*[1] decision (discussed in Chapters 4 and 5), one can hardly be surprised when we pretend in this chapter that the issue of proving copyright protection is not left untouched by the Court of Justice of the European Union (CJEU) case law, despite the lack of any explicit harmonization of the law of evidence at the EU level. Indeed, by providing a general definition of originality (the touchstone of copyright protection) as the "intellectual creation of the author", the CJEU opened the door to the many questions related to the multiple aspects of this concept, in particular, how it should be applied by national courts. Shortly after this seminal case, the CJEU specified in *Painer*[2] that this originality criterion supposes that the author has made "free and creative choices" in order to stamp the work with their "personal touch". Such criteria are however rather abstract and difficult to apply in practice, leading national courts to seek further guidance from the CJEU (which can be found in a number of decisions, discussed elsewhere in this book). Amongst these referrals, many (starting with *Infopaq*[3]) were actually concerned with the issue of copyright infringement rather than copyright protection, showing the nexus between the two stages of the analysis.

While for about ten years the focus was exclusively on this originality criterion (and arguably, the "work" criterion[4]), in the *Levola* case the CJEU started discussing the other requirement for copyright protection, it being the "expression" (still under the umbrella of the notion of "work"[5]). Interestingly, in the national proceedings before the Dutch referring court, besides the discussion as to whether the taste of Heks'nkaas cheese could qualify as a work, one of the issues was related to the way the alleged 'author' of this taste should prove that it actually met the requirements for protection. Hence the national judge referred to the

1 CJEU, 16 July 2009, *Infopaq International A/S v Danske Dagblades Forening*, C-5/08, EU:C:2009:465.

2 CJEU, 1 December 2011, *Eva-Maria Painer v Standard VerlagsGmbH and Others*, C-145/10, EU:C:2011:798.

3 The questions referred to the CJEU in *Infopaq* were not that much directed toward the assessment of the originally of a text extract from an article in a daily newspaper, but to the issue whether the copying of such an extract (in the circumstances of the case) could be deemed a possibly infringing "reproduction in part" in the meaning of the Directive 2001/29/EC. On the right of reproduction, see Chapter 7.

4 Despite inappropriate language, the CJEU does not conflict the notions of "originality" and "work". For this discussion, *see* J. CABAY, F. GOTZEN, "Une saveur n'est pas une œuvre : « Cette leçon vaut bien un fromage, sans doute »", Comments on CJEU, 13 November 2018, *Levola Hengelo c. Smilde Foods*, C-310/17, *Revue de Droit Commercial belge*, 2019, pp. 793–811. On the EU notion of work, see the discussion in Chapter 4.

5 *Infopaq* and *Levola* can be seen as twin cases, in which the CJEU started from the explicit reference to the "work" as subject-matter of copyright protection, made in the InfoSoc Directive, for discussing then the requirements for copyright protection, respectively, "originality" and "expression". *See* further on that discussion J. CABAY, F. GOTZEN, "Une saveur n'est pas une œuvre : « Cette leçon vaut bien un fromage, sans doute »", Comments on CJEU, 13 November 2018, *Levola Hengelo c. Smilde Foods*, C-310/17, *Revue de Droit Commercial belge*, 2019, pp. 801, 804–805.

CJEU some questions related to the law of evidence pertaining to copyright protection,[6] in the event the CJEU were to rule that the taste of a cheese falls within the scope of protection afforded by Directive 2001/29/EC on the harmonization of certain aspects of copyright related rights in the information society (InfoSoc Directive).[7] As the CJEU found that this Directive could not be interpreted in such a way that it grants protection to a taste, it did not answer those questions. Yet, this aspect of proving copyright protection is crucial to copyright judges and lawyers, as the CJEU systematically leaves the national court with the concrete assessment of the existence or absence of protection.

This aspect will eventually find its way to a discussion before the CJEU. Arguably, the CJEU could even be seen as having started this discussion already, in particular, in its recent *Brompton*[8] decision (discussed in Chapter 5). Through discussing (and implicitly rejecting) the "multiplicity of forms theory" in the field of copyright, the CJEU in this case touched upon a matter that in the practice is highly related to the law of evidence. In Belgium, the "multiplicity of forms theory" can be seen as a subset of the assessment of the "free choice" of an author and is largely governed by the "proof of the alternatives".[9] In other words, in Belgium discussing the existence of a "multiplicity of forms" is basically a discussion as to the proof of "freedom of choice" available to an author.

Seemingly, the national courts increasingly seeking guidance on procedural aspects of substantive EU law, despite national autonomy in that matter, is a general tendency.[10] Copyright law will certainly not make an exception to this tendency, in particular, where the law of evidence is concerned. Looking forward to this discussion actually taking place in Luxemburg, we will try in this chapter to draw some lessons from CJEU case law, beyond the sole copyright law field.

We will first review the apparent hurdles to an interpretation by the CJEU of the proof in the field of copyright, especially the procedural autonomy of national courts. Then we will see that, despite this principle, CJEU case law related to trade mark and design and to the effectiveness principle offer room for discussing copyright evidence at the EU level. We will then turn to what we see as driving forces underlying CJEU case law in the field of copyright that would support judicial harmonization, in particular, the resorting to the doctrine of a

6 *See* question 2(c): "What evidence should a party who, in infringement proceedings, claims to have created a copyright-protected taste of a food product, put forward? Is it sufficient for that party to present the food product involved in the proceedings to the court so that the court, by tasting and smelling, can form its own opinion as to whether the taste of the food product meets the requirements for copyright protection? Or should the applicant (also) provide a description of the creative choices involved in the taste composition and/or the recipe on the basis of which the taste can be considered to be the author's own intellectual creation?".

7 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright related rights in the information society (OJ L 167, 22.6.2001, p. 10).

8 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461.

9 In the practice before Belgian jurisdictions, "proof of the alternatives" is based on *a contrario* reasoning, namely that if it is possible to establish the existence of another creation, which has a different form from that of the creation for which protection is claimed, but which produces the same technical effect or pursues the same function, then it follows that the form of the latter is not entirely defined by constraints. The demonstration of the existence of an alternative therefore constitutes the demonstration of the existence of "freedom of choice": *see* further on that case law J. CABAY, "L'originalité, entre *merger doctrine* et multiplicité des formes (ou: Quand la Cour de justice fait l'expérience de l'équilibre sur un vélo pliable)", *Revue de droit intellectuel – L'Ingénieur-Conseil*, 2020, pp. 619–623.

10 See A. WALLERMAN, "Can two walk together, except they be agreed? Preliminary references and (the erosion of) national procedural autonomy", *European Law Review*, 2019, 44(2), pp. 159–177.

"fair balance" between fundamental rights. On that basis, we will propose a blueprint for proving copyright protection in EU law.

Proof of copyright outside the scope of harmonization? Lack of harmonization and procedural autonomy

Harmonization of copyright law at the EU level is only partial.[11] Since the Member States did not decide on the harmonization of a general substantive requirement for copyright protection at the time of the adoption of the InfoSoc Directive,[12] it comes at no surprise that the way one should prove it is not harmonized either. Similarly, where the EU legislator explicitly harmonized the originality criterion for specific works (namely computer programs,[13] databases[14] and photographs[15]), it was not accompanied by any elements related to the proof thereof. The recently adopted Directive (EU) 2019/790 on copyright and related rights in the Digital Single Market (DSM Directive)[16] is also silent on that matter.

All the above does not mean, however, that the law of evidence in the field of copyright entirely falls out of the scope of EU harmonization. Indeed, Directive 2004/48/EC on the enforcement of intellectual property rights (IPRED)[17] contains several provisions related thereto. Yet limited in its scope,[18] the IPRED Directive concerns intellectual property (IP) rights, in general, and not copyright, in particular. One provision is specific to copyright, namely Article 5, which sets forth a "Presumption of authorship or ownership". It mirrors a similar provision in the Berne Convention[19] and provides that:

11 See *i.a.* CJEU, 5 March 2015, *Copydan Båndkopi v Nokia Danmark A/S*, C-463/12, EU:C:2015:144, para. 88.

12 See in general E. rosati, *Originality in EU Copyright. Full Harmonization through Case Law*, Cheltenham; Northampton, MA, Edward Elgar, 2013, pp. 10–53.

13 Article 1(3) of Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (OJ L 111, 5.5.2009, p. 16).

14 Article 3(1) of Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases (OJ L 77, 27.3.1996, p. 20).

15 Article 6 of Directive 2006/116/EC of the European Parliament and of the Council of 12 December 2006 on the term of protection of copyright and certain related rights (OJ L 372, 27.12.2006, p. 12).

16 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC (OJ L 130, 17.5.2019, p. 92).

17 Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ L 157, 20.4.2004, p. 45).

18 CJEU, 10 April 2014, *ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding*, C-435/12, EU:C:2014:254, para. 61 ("The Court has held that the provisions of Directive 2004/48 are intended to govern only the aspects of intellectual property rights related to, first, the enforcement of those rights and, secondly, to infringement of them, by requiring that there must be effective legal remedies designed to prevent, terminate or rectify any infringement of an existing intellectual property right"). *See* also CJEU, 15 November 2012, *Bericap Záródástechnikai Bt. v Plastinnova 2000 Kft.*, C-180/11, EU:C:2012:717, para. 75.

19 Article 15 of Berne Convention states: "In order that the author of a literary or artistic work protected by this Convention shall, in the absence of proof to the contrary, be regarded as such, and consequently be entitled to institute infringement proceedings in the countries of the Union, it shall be sufficient for his name to appear on the work in the usual manner. This paragraph shall be applicable even if this name is a pseudonym, where the pseudonym adopted by the author leaves no doubt as to his identity." The EU is no member of the Berne Convention, though the EU should comply with Article 15 threin as a member of the WIPO Copyright Treaty and the TRIPS Agreement. Yet, the EU legislator deemed appropriate to explicitly adopt the rule laid down in this article, *see* recital 19 of IPRE Directive.

> For the purposes of applying the measures, procedures and remedies provided for in this Directive,
>
> (a) for the author of a literary or artistic work, in the absence of proof to the contrary, to be regarded as such, and consequently to be entitled to institute infringement proceedings, it shall be sufficient for his name to appear on the work in the usual manner;
>
> (b) the provision under (a) shall apply mutatis mutandis to the holders of rights related to copyright with regard to their protected subject matter.

As such, the presumption is only a procedural means to facilitate claims of authorship and/or ownership of a work in order to bring copyright infringement proceedings.[20] It does not extend to the existence of a copyright in that work. Yet the General Court (GC) seemed to construct this provision very broadly in its *Systran* decision, possibly considering that it would amount to a presumption of originality.[21]

This reading by the GC is certainly not decisive. As we will show *infra*, such a liberal understanding of the rule laid down in Article 5 of IPRED is actually problematic and probably does not fit the EU copyright system. But more importantly, it is far from obvious that any harmonized rule concerning the proof of copyright protection could be derived from that provision.

In the framework of the Treaties, the EU's competences are limited in the field of civil procedure (in part because of the general reluctance of the Member Stated to broadly empower the EU in this field).[22] Nevertheless, a form of cooperation is necessary, as the EU system is "centralized (in terms of law-making by the EU legislature) and decentralised (in terms of the enforcement of such rules) and (…) is [therefore] reliant on the Member States and the national institutions to execute what has been legislated by the EU institutions".[23]

20 As regards Article 15 of the Berne Convention, it has been emphasized that "the Convention merely says that, unless the contrary is proved, the author is the person whose name appears as such on the work. It goes no further and thus leaves member countries free do make their own rules on the subject. (…)", *see* C. MASOUYÉ, *Guide to the Berne Convention for the Protection of Literary and Artistic Works (Paris Act, 1971)*, Geneva, WIPO, 1978, p. 93.

21 GC, 16 December 2010, *Systran SA and Systran Luxembourg SA v European Commission*, T-19/07, EU:T:2010:526, paras. 206–208. With reference to Article 5 IPRE Directive, the GC stated that "as a general rule, as the Commission claims, where there is a dispute over the existence of a right, it is for the person claiming that the right does or does not exist to substantiate that claim (*actori incumbit probatio*). In copyright matters, however, there is a legal presumption which enables the burden of proof to be reversed (…)" (para. 206). Then with references to the implementation of such presumption in French and Belgian Law, it stated generally that "[a]s soon as the work is created its originality is presumed (…)" (para. 208). It is not clear whether this statement was meant to be general or simply limited to the works at stake following applicable national law (in the course of this action seeking liability of the European Community for copyright infringement, the applicant relied on French law whereas the Commission relied on Belgian law).

22 S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 20. As regards the law of evidence, in particular, *see* M. FARTUNOVA, *La preuve dans le droit de l'Union européenne*, Bruxelles, Bruylant, 2013, p. 57.

23 S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 21.

Where the EU has not been enacting procedural rules, situations are governed by the principle of the procedural autonomy of the Member States.[24] The seminal case on this principle is *Rewe*,[25] in which the CJEU provided that:

> (…) in the absence of Community rules on this subject, it is for the domestic legal system of each Member State to designate the courts having jurisdiction and to determine the procedural conditions governing actions at law intended to ensure the protection of the rights which citizens have from the direct effect of Community law (…).[26]

In the CJEU case law, this principle is nowadays commonly referred to as the procedural autonomy,[27] which can be "largely understood to mean that in the absence of harmonized EU rules of procedure, substantive EU rules and the rights deriving therefrom must be enforced in the national legal systems in line with national procedures and remedies".[28] This includes the rules on evidence as well,[29] though there are discussions on the exact meaning of procedural autonomy in relation thereto.[30]

Besides Article 5 of IPRED mentioned above, one would stress that Articles 6 and 7 of that Directive might be of relevance, in so that they deal, respectively, with evidences and the measures for preserving evidence for the purpose of IP enforcement (downstream). These provisions can however hardly be read as implying any rule of evidence pertaining to the existence of an IP right (upstream). Rather, they assume an (apparently) existing and valid IP right.[31] The issues of proving that a work actually meets the requirements for copyright protection, and that another production (possibly a work too) shows similarities tantamount to copyright infringement are actually closely related to the substantive law on copyright, which is left out of the scope of IPRED, pursuant to its Article 2(3)(a).

It would follow that these issues are not harmonized and thus left to the national laws of the Member States, conforming their procedural autonomy. At most, one could say that applicable national laws related thereto are suppletive but shall come into play here, in the absence of more specific EU harmonized rules.[32]

24 S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 29.

25 CJEU, 17 February 1976, *Rewe-Zentrale des Lebensmittel-Großhandels GmbH v Hauptzollamt Landau/Pfalz*, 45–75, EU:C:1976:22.

26 CJEU, *Rewe*, para. 5.

27 *See* for a recent example in the field of IP (Trademark), CJEU, 19 October 2017, *Hansruedi Raimund v Michaela Aigner*, C-425/16, EU:C:2017:776, para. 40.

28 S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 31.

29 CJEU, 23 March 2000, *Hauptzollamt Neubrandenburg v Leszek Labis / Sagpol SC Transport Miedzynarodowy i Spedycja*, C-310/98 and C-406/98, EU:C:2000:154, para 29 ("It follows that, given that there is no legislation at Community level governing the concept of proof, any type of evidence admissible under the procedural law of the Member States in similar proceedings is in principle admissible") ; CJEU, 16 July 2009, *Tomasz Rubach*, C-344/08, EU:C:2009:482, para 28.

30 *See* M. FARTUNOVA, *La preuve dans le droit de l'Union européenne*, Bruxelles, Bruylant, 2013, p. 61.

31 *See* CJEU, 15 November 2012, *Bericap Záródástechnikai Bt. v Plastinnova 2000 Kft.*, C180/11, EU:C:2012:717, paras. 74–80.

32 *Compare* M. FARTUNOVA, *La preuve dans le droit de l'Union européenne*, Bruxelles, Bruylant, 2013, p. 61.

Such a conclusion might however be challenged and is not entirely supported by CJEU case law. On the contrary, a close reading of the case law in different fields suggests that the CJEU could engage in defining more precise rules on how one shall prove copyright protection and infringement. Accordingly, suppletive national laws might be subject to judicial review in the frame of the preliminary reference procedure.[33]

From harmonizing substantive law to harmonizing the law of evidence: the examples of trade mark and design law

Some CJEU decisions in the fields of trade mark and design law show that the absence of explicit harmonization of the proof of IP protection and infringement is only apparent. In *Class International*[34] where the trade mark proprietor pleaded infringement ("interference" in the wording of the decision) on his exclusive right, the CJEU ruled that:

> Interference is the condition for the exercise of the right of prohibition provided for in Article 5(3) (b) and (c) of the Directive [89/104/EEC[35]] and Article 9(2)(b) and (c) of the Regulation [(EC) No 40/94[36]].
>
> In respect of the issue of the onus of proving that interference, it must be pointed out, first, that if it were a matter for the national laws of the Member States, the consequence for trade mark proprietors could be that protection would vary according to the legal system concerned. The objective of 'the same protection under the legal systems of all the Member States' set out in the ninth recital in the preamble to the Directive, where it is described as fundamental, would not be attained.[37]

The CJEU reached its conclusion notwithstanding the reference to procedural autonomy of the Member States in the Directive 89/104/EEC (First Trade Mark Directive)[38] and the opinion of its Advocate General, who had adopted the Commission's view that "the burden of the proof in cases involving trade mark infringements is a matter for national procedural

33 *See* S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?*, Cambridge, Intersentia, 2020, p. 43 (suggesting that "the application of the principles of equivalence and effectiveness [that operate as limitations to the procedural autonomy of Member States (*infra*)], alongside the principle of effective judicial protection and that of the full *effet utile* of Union law, no longer constitutes an application of minimum criteria as regards national procedural rules, but rather a mechanism for judicial review (…)").

34 CJEU, 18 October 2005, *Class International BV v Colgate-Palmolive Company and Others*, C-405/03, EU:C:2005:616.

35 First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ L 40, 11.2.1989, p. 1). *See* nowadays Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks (OJ L 336, 23.12.2015, p. 1).

36 Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ L 11, 14.1.1994, p. 1). *See* nowadays Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJ L 154, 16.6.2017, p. 1).

37 CJEU, *Class International*, paras. 72–73.

38 *See,* in particular, recital 10: "the ways in which likelihood of confusion may be established, and, in particular, the onus of the proof, are a matter for national Procedural rules which are not prejudiced by the Directive". *See* nowadays corresponding recital 16 of Directive (EU) 2015/2436 (Third Trademark Directive).

rules".[39] The decision was issued by the CJEU sitting as a Grand Chamber, making it especially authoritative.

The CJEU confirmed this approach in *Gautzsch Großhandel*[40] in relation to the proof of infringement of an unregistered Community design. After stressing out that Article 19 of the Regulation No 6/2002 (Community Design Regulation)[41] which concerns the rights conferred by the Community design "provides no express rules on producing evidence",[42] it iterated that

> if the issue of the onus of proving that the contested use results from copying the protected design were a matter for the national law of the Member States, the consequence for holders of Community designs could be that protection would vary according to the legal system concerned, with the result that the objective of providing uniform protection with uniform effect throughout the entire territory of the European Union, as set out in recital 1 of Regulation No 6/2002 in particular, would not be attained.[43]

This time, such a solution was also advocated by its Advocate General,[44] based on an analogy with the reasoning in *Class International*. Once again, the conclusion was reached by the CJEU (and its Advocate General) despite the references in the Regulation to national laws for all matters (in particular procedural matters) not covered by the Regulation.[45]

Shortly after this second decision, the CJEU went on and extended the reasoning to the proof of distinctive character, that is the main requirement of protection under trade mark law. In *Oberbank*,[46] the CJEU made similar findings that the ones above, as to the issue of proving the distinctive character acquired through use.[47] In comparison with these two other cases where the reasoning was based (at least in part) on IP regulations and unitary IP rights, in *Oberbank* the CJEU interpreted exclusively the Directive 2008/95/EC (Second Trade Mark Directive)[48] and therefore provided guidance as to the burden of proof of a national IP right (though with its source in EU secondary law).

It clearly follows from these three cases that the law of evidence as to IP protection and infringement (here trade mark and unregistered Community design) in the EU cannot be deemed entirely left to the Member States, despite the absence of explicit harmonization in

39 Opinion of the Advocate General Jacobs in *Class International BV v Colgate-Palmolive Company and Others*, C-405/03, EU:C:2005:318, para. 77.

40 CJEU, 13 February 2014, *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH*, C-479/12, EU:C:2014:75.

41 Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs (OJ L 3, 5.1.2002, p. 1).

42 CJEU, *Gautzsch Großhandel*, para. 39.

43 CJEU, *Gautzsch Großhandel*, para. 40.

44 Opinion of the Advocate General Wathelet in *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH*, C-479/12, EU:C:2013:537, paras. 74–77.

45 *See* Articles 88 (2) and (3).

46 CJEU, 19 June 2014, *Oberbank AG and Others v Deutscher Sparkassen- und Giroverband eV*, C-217/13 and C-218/13, EU:C:2014:2012.

47 CJEU, *Oberbank*, para. 67: "If the question of the burden of proof concerning distinctive character acquired by use which has been made of a mark in the context of invalidity proceedings were a matter for the national law of the Member States, the consequence for proprietors of trade marks could be that protection would vary according to the legal system concerned, with the result that the objective of 'the same protection under the legal systems of all the Member States' set out in recital 10 in the preamble to Directive 2008/95, where it is described as 'fundamental', would not be attained".

48 Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate laws of the Member States relating to trade marks (OJ L 299, 8.11.2008, p. 25).

EU secondary law. At the very least, since all those cases were concerned with the burden of proof, this very aspect could be considered falling within the scope of harmonization.

It is open for discussion whether the CJEU would be likely to make similar findings in the field of copyright law and whether such analogical reasoning is appropriate. A cautious approach is certainly needed in order to avoid making wrong analogies.[49] In particular, as long as there is no unitary copyright protection in the EU (on the desirability of unification, see the discussion in Chapter 3) but only partial harmonization of national laws, it would be highly questionable to merely transpose the CJEU reasoning when it is enshrined not in directives but in regulations governing unitary IP rights, like the EU trade mark or the Community design (registered or not). Moreover, since copyright – contrary to most industrial property rights – is not a registered right, it would not be appropriate either to subject the former to the same law of evidence that applies to the latter.[50]

That being said, the case law referred above strongly suggest that the CJEU has room for ruling on the proof of copyright protection and infringement, at least as far as the burden of proof is concerned. The main argument supporting this lies in the fact that the CJEU largely based its conclusion on a teleological interpretation of EU secondary law on IP, that is to offer "the same protection under the legal systems of all the Member States" (Trade Mark Directives) or a "uniform protection with uniform effect throughout the entire territory of the European Union" (Community Design Regulation). Arguably, a similar teleological approach should be adopted in copyright law, in particular, after the CJEU stated that the concepts of "reproduction" (and by extension, "originality")[51] and "work" (and by extension, "expression"),[52] "in view of the need for a uniform application of EU law and the principle of equality, (…) must normally be given an autonomous and uniform interpretation throughout the European Union".

Following the CJEU, this doctrine of "autonomous interpretation" has flourished in the field of copyright law because the InfoSoc Directive is based, in particular, on the objective of achieving the internal market,[53] the same objective that underlies EU secondary law on IP, in general.

It is true that, at the time of the adoption of the Directive, the Commission considered that it was not necessary to harmonize the concept of originality with respect to categories of works other than the "technology-related [ones], notably computer programs and databases (…)", because there where "no indications that the lack of harmonization of the concept of originality would have caused any problems for the functioning of the Internal Market with respect to

49 *See* E. DERCLAYE, "Right and wrong analogies: the CJEU's use of trade mark concepts in copyright and design law", *European Intellectual Property Review*, 2020, 42(2), pp. 78–83.

50 Comparison with unregistered Community design seems however appropriate to a certain extent, since the rationale underlying the scope of protection (that is limited to copying and do not extend to independent creation, similar to copyright protection) lies in the fact that it is not registered and, for that reason, distinguishes from the registered design right, *see* Recital 21 of the Community Design Regulation ("The exclusive nature of the right conferred by the registered Community design is consistent with its greater legal certainty. It is appropriate that the unregistered Community design should, however, constitute a right only to prevent copying. Protection could not therefore extend to design products which are the result of a design arrived at independently by a second designer. (…)").

51 CJEU, 16 July 2009, *Infopaq International A/S v Danske Dagblades Forening*, C-5/08, EU:C:2009:465, para. 27.

52 CJEU, 13 November 2018, *Levola Hengelo BV v Smilde Foods BV*, C-310/17, EU:C:2018:899, para. 33.

53 CJEU, 21 October 2010, *Padawan SL v Sociedad General de Autores y Editores de España (SGAE)*, C-467/08, EU:C:2010:620, para. 35 ("The objective of Directive 2001/29, based, in particular, on Article 95 EC and intended to harmonise certain aspects of the law on copyright and related rights in the information society and to ensure competition in the internal market is not distorted as a result of Member States' different legislation requires the elaboration of autonomous concepts of European Union law (…)").

other categories of works, such as compositions, films or books (…)".[54] Scholars also questioned such need "from the perspective of completing the internal market (…)", emphasizing that "[t]he practical effect of any such harmonization may be limited if the dynamic application of a harmonized criterion by national lawmakers and courts will persist (…)".[55]

Since then, *Infopaq* and many other decisions on originality have been issued. Now that it is well acknowledged that the CJEU has harmonized the substantive criterion, it would run counter to the internal market rationale for the CJEU to leave out evidential aspects thereof and reach no harmonization in practice. This is even more so considering that completion of the internal market, enshrined in EU primary law,[56] is at the core of the European construction.

Therefore, we posit that, relying on this rationale and in order to ensure effective application of EU law, the CJEU might limit procedural autonomy as to the proof of copyright protection and infringement. This suggestion is in line with more general findings related to the use made by the CJEU of the doctrine of autonomous concepts, in order "to pursue judicial harmonisation in areas where the main intention of the EU legislature was to preserve Member States' autonomy".[57] It is also compatible with a well-known limitation on procedural autonomy, namely the principle of effectiveness.

Effectiveness as a limitation on procedural autonomy

From the outset the CJEU has identified two limitations on procedural autonomy, namely the principles of equivalence and effectiveness.[58] Today, it is well established case law that

> (…) the detailed procedural rules governing actions for safeguarding an individual's rights under EU law must be no less favourable than those governing similar domestic actions (principle of equivalence) and must not render impossible in practice or excessively difficult the exercise of rights conferred by EU law (principle of effectiveness).[59]

The principle of effectiveness has evolved over the time. "From the notion of 'impossible in practice' (in *Rewe*), the CJEU has since established that national procedural rules must not render the enforcement of rights derived from EU law 'virtually impossible or excessively difficult'".[60] It has been emphasized that:

> This shift generates a considerable degree of discretion on the part of the court; that is to say, 'virtually impossible or excessively difficult' is not a set standard, like the notion

54 European Commission, *Commission Staff Working Paper on the review of the EC legal framework in the field of copyright and related rights*, SEC(2004) 995, 19.7.2004, p. 14.

55 M. van eechoud, p. b. hugenholtz, s. van gompel, l. guibault, n. helberger, *Harmonizing European Copyright Law. The Challenges of Better Lawmaking*, Alphen aan den Rijn, Kluwer Law International, 2009, p. 43.

56 *See* Article 3(3) of the Treaty on European Union (TEU): "The Union shall establish an internal market (…)".

57 *See* L. mancano, "Judicial harmonisation through autonomous concepts of European Union Law: the example of the European arrest warrant Framework Decision", *European Law Review*, 2018, 43(1), pp. 69–82.

58 *See* O. dubos, "Que reste-t-il de l'autonomie procédurale du juge national ? Histoire de l'attribution d'un compétence au nom de l'effectivité et de l'efficacité du droit de l'Union", *in* E. neframi (ed.), *Renvoi préjudiciel et marge d'appréciation du juge national*, Bruxelles, Larcier, 2015, pp. 159–182.

59 CJEU, 19 October 2017, *Hansruedi Raimund v Michaela Aigner*, C-425/16, EU:C:2017:776, para. 41.

60 S. law, j. t. nowak, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. gascón inchausti, b. hess (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 31.

> of impossible or impossibility. Rather, this determination is one of a political nature but is one that might shape the standards to which adherence should occur in the national system, in order to ensure the principle of effectiveness is not undermined. (…) With this notion of effectiveness, the CJEU aims to ensure the possibility to pursue the goal that has been established by substantive EU law rules, namely an 'obligation of result' on the part of the Member States.[61]

With the entry into force of the Charter of Fundamental Rights of the European Union, the principle of effectiveness has been complemented with the right to effective judicial protection, set forth in Article 47 of the Charter, which has played a role as a potential source of positive procedural obligations in the CJEU case law.[62] It has been pointed out that "(…) this development of judicial standards as EU principles of national civil procedure does not fit the classical paradigmatic structure of national procedural autonomy (…)".[63] This might however be justified in light of this specific provision of the Charter. Indeed, the distinction between the "*Rewe* effectiveness" principle and the principle of effective judicial protection of Article 47 of the Charter is not clear,[64] but it is generally considered that the former entails a milder test than the latter.[65]

According to Advocate General Cruz Villalón,[66] in the specific field of IP the principle of effectiveness is enshrined not only in these general doctrine and provision but also in Article 3 of IPRED.[67] However, we have shown *supra* that the limited scope of this directive does not extend to the issue of proving the existence of a copyright protection.

It is therefore to be addressed if and how the "*Rewe* effectiveness" and the right to effective judicial protection could support our suggestion that the CJEU might rule on such issue. To that end, following the opinion of Advocate General Kokott in *Puškár*, we will disregard the possible differences between the two since they "(…) ultimately embody the same legal principle and may be examined jointly using the rules in Articles 47(1) and 52(1) of the Charter".[68]

61 *Ibid*.

62 P. VAN CLEYNENBREUGEL, "Judge-made standards of national procedure in the post-Lisbon constitutional framework", *European Law Review*, 2012, 37(1), p. 94.

63 *Ibid*.

64 *See* J. KROMMENDIJK, "Is there light on the horizon? The distinction between '*Rewe* effectiveness' and the principle of effective judicial protection in article 47 of the Charter after *Orizzonte*", *Common Market Law Review*, 2016, 53, pp. 1395–1418.

65 *Ibid*., p. 1406.

66 Opinion of the Advocate General Cruz Villalón in *Coty Germany GmbH v Stadtsparkasse Magdeburg*, C-580/13, EU:C:2015:243, para. 39, footnote 16.

67 Article 3: "(1) Member States shall provide for the measures, procedures and remedies necessary to ensure the enforcement of the intellectual property rights covered by this Directive. Those measures, procedures and remedies shall be fair and equitable and shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays.

(2) Those measures, procedures and remedies shall also be effective, proportionate and dissuasive and shall be applied in such a manner as to avoid the creation of barriers to legitimate trade and to provide for safeguards against their abuse".

68 Opinion of the Advocate General Kokott in *Peter Puškár v Finančné riaditeľstvo Slovenskej republiky and Kriminálny úrad finančnej správy*, C-73/16, EU:C:2017:253, para. 51.

In *Puškár*,[69] the CJEU clearly rejected (at the admissibility stage) the argument of procedural autonomy in a situation where the referring court dismissed the evidence (obtained without the legally required consent of the data controller) put forward by the applicant in order to prove an infringement of the protection of personal data conferred to him by Directive 95/46/EC.[70] In the words of its Advocate General,

> (…) rules of evidence are also procedural rules which can impair the effectiveness of judicial review in the exercise of rights granted under EU law. EU law can therefore also restrict the procedural autonomy of the Member States in this area.[71]

On the merits, the CJEU found that such dismissal "constitutes a limitation on the right to an effective remedy before a court within the meaning of Article 47 of the Charter" and could therefore only be justified pursuing the conditions of Article 52(1) of the Charter.[72, 73]

This case shows, in an area close to the one of IP, that the issue of proving infringement can be tackled through the lens of Article 47 of the Charter, and eventually lead to a condemning of national law of evidence where it does not ensure effective protection of the rights conferred by EU law.[74,75]

The CJEU adopted the same kind of reasoning in cases of IP enforcement matters, where it condemned interpretations of the law that, through an extensive protection of banking secrecy (*Coty Germany*[76]) and protection of family life (*Bastei Lübbe*[77]), would preclude any possibility for the IP holder to obtain the necessary evidence in order to identify the infringer. Interestingly in these two cases, the CJEU based its conclusion not only on Article 47 of the Charter, but also on Article 17(2) of the Charter that protects intellectual property. And in both cases, it found there was an infringement of the fundamental right to an effective remedy, and ultimately of the fundamental right to intellectual property.

In a related approach, in *BY v CX*[78] the CJEU offered an interesting illustration of how copyright protection might be interpreted in the light of this fundamental right to an effective remedy, in connection with both substantive and procedural law aspects.

69 CJEU, 27 September 2017, *Peter Puškár v Finančné riaditeľstvo Slovenskej republiky and Kriminálny úrad finančnej správy*, C-73/16, EU:C:2017:725, paras. 78–86.

70 Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (OJ L 281, 23.11.1995, p. 31).

71 Opinion of the Advocate General Kokott in *Puškár*, para. 74.

72 CJEU, *Puškár*, paras. 87–88.

73 Article 52(1) sets the conditions for a limitation on the exercise of the rights and freedoms recognized by the Charter.

74 In *Puškár* the CJEU found that "[a]t the very least, if the person whose personal data is on the list [put forward as evidence] enjoys a right of access to those data, such rejection appears disproportionate to those very objectives" (para. 94) and for the rest left with the national judge to assess the proportionality of a rejection of the disputed list as evidence.

75 The same goes under the "*Rewe* effectiveness" principle, which "might require that national courts must set aside incompatible or conflicting national rules (…)", *see* S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 26.

76 CJEU, 16 July 2015, *Coty Germany GmbH v Stadtsparkasse Magdeburg*, C-580/13, EU:C:2015:485, paras. 39–41.

77 CJEU, 18 October 2018, *Bastei Lübbe GmbH & Co. KG v Michael Strotzer*, C-149/17, EU:C:2018:841, paras. 51–52.

78 CJEU, 28 October 2020, *BY v CX*, C-637/19, EU:C:2020:863, paras. 32–33.

In this case, the CJEU actually limited the scope of the right of communication to the public in the context of judicial proceedings between individuals, where it was relied on by the rightholder in order "to oppose the disclosure of evidence to a court on the sole ground that that evidence contains subject matter protected by copyright". The CJEU found that the transmission by electronic means of a protected work to a court as evidence could not be deemed a communication to the public, in particular as it would seriously compromise the right to an effective remedy guaranteed in Article 47 of the Charter. According to the CJEU, the limitation such interpretation entails on the fundamental right to protection of intellectual property is compatible with the "fair balance" principle (discussed *infra*).

All this suggests that the CJEU is likely to limit procedural autonomy as to the proof of copyright protection and infringement where national rules could not be deemed to ensure effective protection of the rights derived from EU secondary law on that matter. All this is further reinforced by the consideration that copyright also enjoys protection as EU primary law, pursuant to Article 17(2) of the Charter.[79]

What about the CJEU engaging in defining more precise evidential rules? Would the Charter serve as a springboard for the development of such rules[80]? In our opinion, the answer is in the affirmative.

Already in *Gautzsch Großhandel*[81] (with no reference to Article 47 of the Charter), the CJEU ruled that

> (…) if the Community design court finds that the fact of requiring the holder of the protected design to prove that the contested use results from copying that design is likely to make it impossible or excessively difficult for such evidence to be produced, that court is required, in order to ensure observance of the principle of effectiveness, to use all procedures available to it under national law to counter that difficulty. Thus, that court may, where appropriate, apply rules of national law which provide for the burden of proof to be adjusted or lightened.[82]

This is more engaging, though not properly a precise obligation directed to the national courts. In the circumstances of the case, the procedural law of the referring court did contain an appropriate solution.[83] Yet, one can wonder whether this decision of the CJEU does not imply that the holder of an unregistered Community design shall be offered under every legal system procedural means to alleviate the burden of the proof of copying (as a requirement for infringement), in case it is impossible for that holder to bring direct evidence of copying (as it will be often the case). Where no such procedural means exist (typically in the form of a presumption

79 *See* Article 6(1) of the Treaty on European Union (TEU): "(…) the rights, freedoms and principles set out in the Charter of Fundamental Rights of the European Union (…) shall have the same legal value as the Treaties (…)".

80 *Compare* P. VAN CLEYNENBREUGEL, "Judge-made standards of national procedure in the post-Lisbon constitutional framework", *European Law Review*, 2012, 37(1), p. 95 ("This provision [Article 47] could provide a yardstick for the Court to develop a positive obligation approach to (…) the conduct of proceedings (…)").

81 CJEU, 13 February 2014, *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH*, C-479/12, EU:C:2014:75.

82 CJEU, *Gautzsch Großhandel*, para. 43.

83 It was admitted under German law that the holder bears the burden of proving the copying of his design, but that it could be reversed if there are 'material similarities' between that design and another one, the use of which is contested.

of copying, discussed *infra*), how could the national judge reconcile the fundamental rights to an effective remedy and to intellectual property, but for that judge to create such means? And if one was to accept this conclusion as to the unregistered Community design, how not to take the same stand as regards copyright, which similarly offers protection against copying only?

Despite the importance of the specific facts of the case when considering the harmonizing effect of decisions of the CJEU in the area of procedural law,[84] the fundamental rights methodology strongly supports exporting an interpretation given by the CJEU beyond those specific facts. Fundamental rights are indeed an important harmonizing tool, that have played a particular role in the field of copyright (see the general discussion in Chapter 2 and, with specific regard to exceptions and limitations, the analysis in Chapter 14). In fact, it was suggested that "the Charter has supported the elaboration and extension of harmonized copyright rules at EU level (…)"[85] and that references to Article 17(2) made by the CJEU "[have] been predominantly cosmetic, designed to offer rhetorical support for its harmonization agenda (…)".[86]

It seems unavoidable that, based on the driving forces of the judicial harmonization by the CJEU, it will sooner or later address the law of evidence as to the proof of copyright protection and infringement.

Proof of copyright inside the scope of harmonization: fair balance as a paradigm

We have been advocating elsewhere that there are (at least) two driving forces in the CJEU case law, that perform as an underlying rationale making sense of many of its decisions. First, we think that the CJEU's interpretation of copyright law is driven by a teleological approach aiming at building the Digital Single Market, which can be seen as an extension of the internal market in the digital world.[87] Second, such interpretation is framed within the fundamental rights methodology and is aimed at reaching a "fair balance" (commented *infra* in this section) between competing fundamental rights.[88] The two are interconnected in so that in our view, the "fair balance" concept gives the CJEU greater control over a legal situation than other principles (such as proportionality). From then on, the objective of completing the internal market (or the Digital Single Market) enshrined in the Treaty might be best served on the basis of the Charter.

We have seen *supra* that the need to approximate the laws of evidence applicable to IP further might be supported by an internal market rationale. The fundamental rights to an effective remedy and to IP could serve as a legal basis to that purpose. Thus, if we wish to address

84 S. LAW, J. T. NOWAK, "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* F. GASCÓN INCHAUSTI, B. HESS (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, p. 46.

85 J. GRIFFITHS, "Taking power tools to the *acquis* – The Court of Justice, the Charter of Fundamental Rights and European Union copyright law", *in* C. GEIGER, C. A. NARD, X. SEUBA (eds.), *Intellectual Property and the Judiciary*, Cheltenham; Northampton, MA, Edward Elgar, 2018, p. 155.

86 J. GRIFFITHS, "Constitutionalising or Harmonising? The Court of Justice, the Right to Property and European Copyright Law", *European Law Review,* 2013, 38(1), p. 77.

87 *See* J. CABAY, "La Cour de justice, le droit d'auteur et le marché unique numérique : voyage intertextuel au pays des hyperliens", *in* N. BERTHOLD (ed.), *Droit de la propriété intellectuelle – Actualité législative et jurisprudence récente de la Cour de justice de l'Union européenne*, Bruxelles, Larcier, 2019, pp. 51–82.

88 *See* J. CABAY, M. LAMBRECHT, "Les droits intellectuels, entre autres droits fondamentaux : La Cour de justice à la recherche d'un 'juste équilibre' en droit d'auteur ", *in* J. CABAY, A. STROWEL (eds.), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations*, Bruxelles, Larcier, 2019, pp. 181–242.

the possible judicial harmonization of the proof of copyright protection and infringement, it has to be given full account to the interpretation of the Charter by the CJEU.

According to Article 51(1) of the Charter, its provisions are addressed "to the Member States only when they are implementing Union law". It follows that, as the CJEU stated in *Fransson*,[89]

> Since the fundamental rights guaranteed by the Charter must therefore be complied with where national legislation falls within the scope of European Union law, situations cannot exist which are covered in that way by European Union law without those fundamental rights being applicable. The applicability of European Union law entails applicability of the fundamental rights guaranteed by the Charter.[90]

In *Cruciano Siragusa*,[91] the CJEU explained that:

> (…) the concept of 'implementing Union law', as referred to in Article 51 of the Charter, requires a certain degree of connection above and beyond the matters covered being closely related or one of those matters having an indirect impact on the other.[92]

It is not easy to define precisely when a Member Stated is "implementing Union law", but it is acknowledged that the CJEU constructs this concept broadly.[93] Proof of copyright requirements for protection and infringement are so closely connected to the existence of copyright as such that the national law related thereto is very likely to fall within the meaning of this concept, and therefore trigger the applicability of the Charter. This is particularly so considering that the CJEU has clearly stated that the exclusive rights provided for by the InfoSoc Directive "(…) constitute measures of full harmonization of the corresponding substantive law".[94]

If we do admit that the connection between the existence of the copyright and the proof thereof are that strong, then the interpretation of the latter should be entirely governed by the Charter, thus excluding the possibility for the Member States to apply their national standards of protection of fundamental right. In any event, if the Member States were considered as still enjoying discretion as to these aspects, they should anyway make sure "(…) that the level of protection provided for by the Charter, as interpreted by the Court, and the primacy, unity and effectiveness of EU law are not thereby compromised".[95]

89 CJEU, 26 February 2013, *Åklagaren v Hans Åkerberg Fransson*, C-617/10, EU:C:2013:105.

90 CJEU, *Fransson*, para. 21.

91 CJEU, 6 March 2014, *Cruciano Siragusa v Regione Sicilia — Soprintendenza Beni Culturali e Ambientali di Palermo*, C-206/13, EU:C:2014:126.

92 CJEU, *Cruciano Siragusa*, para. 24.

93 F. PICOD, "Article 51", *in* F. PICOD, C. RIZCALLAH, S. VAN DROOGHENBROECK (eds.), *Charte des droits fondamentaux de l'Union européenne*, 2nd ed., Bruxelles, Bruylant, 2020, p. 1236.

94 CJEU, 29 July 2019, *Funke Medien NRW GmbH v Bundesrepublik Deutschland*, C-469/17, EU:C:2019:623, paras. 38 and 54; CJEU, 29 July 2019, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17, EU:C:2019:624, paras. 85 and 86.

95 CJEU, 29 July 2019, *Spiegel Online GmbH v Volker Beck*, C-516/17, EU:C:2019:625, para. 21; CJEU, 29 July 2019, *Funke Medien NRW GmbH v Bundesrepublik Deutschland*, C-469/17, EU:C:2019:623, para. 32; CJEU, 29 July 2019, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17, EU:C:2019:624, para. 80.

Allocating the burden of the proof of copyright is not only a matter governed by the fundamental rights to an effective remedy (Article 47 of the Charter) and to intellectual property (Article 17(2)) of an alleged author. We have been discussing at length elsewhere how the definition of copyright requirements for protection and infringement are to be addressed through the lens of fundamental rights, including in addition to the ones mentioned above freedom of expression and information (Article 11), freedom of the arts (Article 13) and freedom to conduct a business (Article 16).[96] This is line with subsequent developments of the CJEU case law, especially *GS Media*[97] and *Pelham*[98] in which the CJEU, respectively, shaped (and limited) the scope of the right of communication/making available to the public through hyperlinking (see the discussion in Chapter 9) and the right of reproduction of the phonogram producer (see the discussion in Chapter 7), for the sake of reaching a "fair balance" between the protection of those rights through Article 17(2) of the Charter on the one hand, and the freedom of expression and information (or freedom of the arts) on the other hand.[99] The search of a "fair balance" also governed the limitation the scope of the right of communication to the public in *BY v CX*[100] (commented *supra*), this time between Article 17(2) and Article 47 of the Charter.

All this is not only true for substantive law but for the law of evidence as well, since specific features of allocating the burden of the proof may actually have an impact on rights and freedoms enjoyed by others. For example, assuming a "presumption of originality" from the mere fact that someone calls themselves an author of a "work" and have their name appearing thereon[101] would certainly have greater impact on the freedom of expression of users than a rule of evidence that would make this author bearing the burden to prove that his alleged work was not copied from another work.

It is therefore necessary to address this issue in light of the concept of "fair balance" developed by the CJEU.

In *Promusicae*,[102] the CJEU ruled that when there is a "(…) need to reconcile the requirements of protection of different fundamental rights (…)", one should aim at striking a "fair balance" between them.[103] In *GS Media*, it acknowledged for the first time[104] and in very

96 *See* J. CABAY, *L'objet de la protection du droit d'auteur – Contribution à l'étude de la liberté de création*, PhD Thesis, Université Libre de Bruxelles, 2016.

97 CJEU, 8 September 2016, *GS Media BV v Sanoma Media Netherlands BV and Others*, C-160/15, EU:C:2016:644, para. 44–48.

98 CJEU, 29 July 2019, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17, EU:C:2019:624, paras. 31–39.

99 For further details on this argument, *see* J. CABAY, M. LAMBRECHT, "Les droits intellectuels, entre autres droits fondamentaux : La Cour de justice à la recherche d'un 'juste équilibre' en droit d'auteur ", *in* J. CABAY, A. STROWEL (eds.), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations*, Bruxelles, Larcier, 2019, pp. 199–215.

100 CJEU, 28 October 2020, *BY v CX*, C-637/19, EU:C:2020:863, paras. 32–33.

101 Arguably this was the solution adopted by the GC in the *Systran* case (*supra*).

102 CJEU, 29 January 2008, *Productores de Música de España (Promusicae) v Telefónica de España SAU*, C-275/06, EU:C:2008:54.

103 CJEU, *Promusicae*, paras. 61–70.

104 It is true that a reference to a "fair balance" to be reached can be found in recital 31 of the InfoSoc Directive, in connection with exceptions and limitations. Despite the same wording, this reference and the one in paragraph 31 of *GS Media* are however of a different nature, the former being a policy objective and the latter a legal concept. Indeed, in *GS Media* the reasoning of the CJEU is enshrined in the Charter and the "fair balance" doctrine initiated in *Promusicae*. On that basis, the CJEU's outcome in *GS Media* is much more far reaching that one could ever expect from a teleological interpretation leaning on recital 31, to the which the CJEU merely pays lip service here. In our view, *GS Media* exemplifies a paradigmatic shift in the reasoning of the CJEU, and that explain its outcome in that decision as well as in *Renckhoff* and *Pelham*. *See* for the detail of

broad terms that the aim of the InfoSoc Directive is to strike a "fair balance" between the fundamental right to intellectual property on the one hand, and the competing fundamental rights of users on the other hand.[105] The CJEU went further in its *Spiegel Online*, *Funke Medien* and *Pelham* decisions, in the three of which it pointed out that "[t]he mechanisms allowing those different rights and interests to be balanced are contained in Directive 2001/29 itself (…)".[106] Relying on these previous decisions, in *YouTube*[107] the CJEU recently made a similar general statement as to the one expressed in *GS Media*, this time in relation to the IPRED. According to the CJEU, "Directive 2004/48 is intended to establish a fair balance between, on the one hand, the interest of the holders of copyright in the protection of their intellectual property rights enshrined in Article 17(2) of the Charter of Fundamental Rights and, on the other hand, the protection of the interests and fundamental rights of users of protected subject matter, as well as of the public interest". Assuming IPRED would be of any relevance in the discussion, this last decision would provide an additional support to our opinion.

Arguably, the issue of proving copyright protection and infringement shall be complying with the "fair balance" doctrine, as a consequence of the full harmonization of the exclusive right of reproduction. Indeed, following *Infopaq* there is a reproduction within the meaning of the InfoSoc Directive only if and to the extent that "(…) the elements thus reproduced are the expression of the intellectual creation of their author; it is for the national court to make this determination".[108] And in making this determination, the national court shall make an application of the originality criterion that "(…) in the light of the circumstances of the case (…) preserves that fair balance".[109] In *Deckmyn* (discussed in Chapter 16) the CJEU explicitly gave such mandate to the national courts in relation to the application of the parody exception, and we see no reason why the national court should reason in a different way as to the originality criterion, both these concepts being autonomous concepts of EU law.[110]

Asking the national courts to assess whether their national law of evidence meets the requirement of a "fair balance" could actually be an appropriate way to mitigate (and legitimize) what some could see as a dramatic impact of the harmonizing force at play in the

---

this argument J. CABAY, M. LAMBRECHT, "Les droits intellectuels, entre autres droits fondamentaux : La Cour de justice à la recherche d'un 'juste équilibre' en droit d'auteur ", *in* J. CABAY, A. STROWEL (eds.), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations*, Bruxelles, Larcier, 2019, pp. 199–215.

105 CJEU, 8 September 2016, *GS Media BV v Sanoma Media Netherlands BV and Others*, C-160/15, EU:C:2016:644, para. 31 ("(…) it follows from recitals 3 and 31 of Directive 2001/29 that the harmonisation effected by it is to maintain, in particular, in the electronic environment, a fair balance between, on one hand, the interests of copyright holders and related rights in protecting their intellectual property rights, safeguarded by Article 17(2) of the Charter of Fundamental Rights of the European Union ('the Charter') and, on the other, the protection of the interests and fundamental rights of users of protected objects, in particular, their freedom of expression and of information, safeguarded by Article 11 of the Charter, and of the general interest").

106 CJEU, 29 July 2019, *Funke Medien NRW GmbH v Bundesrepublik Deutschland*, C-469/17, EU:C:2019:623, para. 43; CJEU, 29 July 2019, *Spiegel Online GmbH v Volker Beck*, C-516/17, EU:C:2019:625, para. 58; CJEU, 29 July 2019, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17, EU:C:2019:624, para. 60.

107 CJEU, 9 July 2020, *Constantin Film Verleih GmbH v YouTube LLC and Google Inc.*, C-264/19, EU:C:2020:542, para. 37.

108 CJEU, 16 July 2009, *Infopaq International A/S v Danske Dagblades Forening*, C-5/08, EU:C:2009:465, para. 51.

109 *Compare* with CJEU, 3 September 2014, *Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others*, C-201/13, EU:C:2014:2132, paras. 32 and 35.

110 Even the more, one could say, considering that the parody exception mentioned in Article 5(3)(k) of the InfoSoc Directive is of an optional nature, which did not bare the CJEU to find it is an autonomous concept, *see,* in particular, CJEU, *Deckmyn*, para. 16.

area of copyright law on procedural autonomy of the Member States. Indeed the President of the CJEU expressed the view that "(…) this requirement suggest that, in copyright matters, Union law imposes 'a certain uniformity in the abstract', while allowing 'constitutional pluralism *in concreto*'".[111] Recent case law suggests that the CJEU engaged in some sort of "proceduralization" of the fair balance requirement, that is the guaranteeing of a substantive fair balance through procedural aspects.[112] The *UPC Telekabel* decision (discussed in detail in Chapter 18) offers a great example of this in relation to copyright enforcement on the internet,[113] though the greatest illustration is to be found in *Huawei*[114] in relation to the enforcement of standard-essential patent.

If this is the correct approach, which we assume, then the fair balance requirement would set the limits to how one could be required to prove copyright protection and infringement under national procedural rules, which would be subject to judicial review before the CJEU accordingly. This would be in line with a more general approach of the CJEU.[115] In particular in *Steffensen*,[116] it stated that, additionally to verifying whether the national rules on the taking of evidence are complying with the principles of equivalence and effectiveness, "(…) the national court must consider whether such evidence must be excluded in order to avoid measures incompatible with fundamental rights (…)".[117]

A blueprint for proving copyright protection in the EU

In this final section, we propose a blueprint for such a proof that, in our view, strikes a fair balance. Our account will be supported by the CJEU case law and complemented with some decisions from the Supreme Courts of some EU Member States.[118] In addition, it will be enshrined in the legal practice before Belgian jurisdictions.

111 K. LENAERTS, "Le droit d'auteur dans l'ordre juridique de l'Union européenne : une perspective constitutionnelle", *in* J. CABAY, V. DELFORGE, V. FOSSOUL, M. LAMBRECHT (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, p. 245 ("(…) cette exigence suggère qu'en matière de droit d'auteur, le droit de l'Union impose 'une certaine uniformité dans l'abstrait', tout en permettant 'un pluralisme constitutionnel *in concreto*' ") (our translation).

112 For further details on this argument, *see* J. CABAY, M. LAMBRECHT, "Les droits intellectuels, entre autres droits fondamentaux : La Cour de justice à la recherche d'un 'juste équilibre' en droit d'auteur ", *in* J. CABAY, A. STROWEL (eds.), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations*, Bruxelles, Larcier, 2019, pp. 230–235.

113 CJEU, 27 March 2014, *UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH*, C-314/12, EU:C:2014:192, paras. 54 and 57 (finding that the fair balance would be struck provided the addressee of a blocking injunction such as the one at issue in the circumstances of the case, and the internet users, shall have the possibility to access a court, respectively, once the implementing measures which this addressee has taken are known and before any decision imposing a penalty on him is adopted, and once the implementing measures taken by the internet service provider are known from these users).

114 CJEU, 16 July 2015, *Huawei Technologies Co. Ltd v ZTE Corp. and ZTE Deutschland GmbH*, C-170/13, EU:C:2015:477, paras. 55–69 (finding that the fair balance would be struck provided the proprietor of a standard-essential patent, before lodging an action for a prohibitory injunction or for the recall of products, would comply with specific conditions).

115 *See* M. FARTUNOVA, *La preuve dans le droit de l'Union européenne*, Bruxelles, Bruylant, 2013, pp. 69–82.

116 CJEU, 10 April 2003, *Joachim Steffensen*, C-276/01, EU:C:2003:228.

117 CJEU, *Steffensen*, para. 80.

118 National procedural laws have proved a source of inspiration for the CJEU in developing general principles of EU law, *see* M. FARTUNOVA, *La preuve dans le droit de l'Union européenne*, Bruxelles, Bruylant, 2013, pp. 65–70.

This blueprint is based on a more comprehensive proposal of ours, which cannot however be fully presented in the limited space of this contribution.[119] This proposal has been endorsed in some decisions of two Belgian courts[120, 121] and underpinned a recent Opinion of the Advocate general at the Belgian Cour de cassation.[122]

Here, we will limit ourselves to discussing the copyright protection for productions that clearly might qualify as a "work" within the meaning of the InfoSoc Directive. By that we mean traditional categories of works, such as compositions, films or books. It is not our aim to discuss borderline cases here, such as smells, tastes,[123] artificial intelligence productions,[124] etc. We won't discuss either the issue of proving infringement, since there is so far no (or very limited) harmonization of the substantive requirements, in particular, the relevant criterion for assessing "similarities".[125]

119 *See* further on that proposal J. CABAY, *L'objet de la protection du droit d'auteur – Contribution à l'étude de la liberté de création*, Ph.D. Thesis, Université Libre de Bruxelles, 2016; J. CABAY, "L'originalité, entre *merger doctrine* et multiplicité des formes (ou: Quand la Cour de justice fait l'expérience de l'équilibre sur un vélo pliable)", *Revue de droit intellectuel – L'Ingénieur-Conseil*, 2020, pp. 617–650. For a previous version of this proposal, *see* J. CABAY, A. STROWEL, "La nouveauté : un indice d'originalité à l'épreuve d'Internet", *in* J. CABAY, V. DELFORGE, V. FOSSOUL, M. LAMBRECHT (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, pp. 17–68.

120 Commercial Court Antwerpen, 14 February 2019, *I.C.I.P.*, 2019, p. 138, *R.D.J.P.*, 2020, p. 29; Commercial Court Antwerpen, 18 January 2018, A/17/1092 (unpublished); Commercial Court Antwerpen, 2 November 2017, A/16/7026 (unpublished); Commercial Court Antwerpen, 2 November 2017, A/16/8494, available online on IE-Forum (*IEFbe 2404*), https://www.ie-forum.be/artikelen/auteursrechtelijke-bescherming-van-pliage-tas-slechts-de-techniek-van-plooibare-tas-is-bekend-uit-ee (lastly consulted: 04/01/2021).

121 Commercial Court Ghent, 22 October 2020, A/19/01407, available online on IE-Forum (*IEFbe 3138*), https://www.ie-forum.be/artikelen/schadevergoeding-wegens-foutief-beslag-en-roekeloos-geding (lastly consulted: 04/01/2021).

122 Opinion of the Advocate general Van Ingelgem before Cour de cassation (Belgium), 17 October 2019, *I.C.I.P.*, 2019, p. 840, obs. F. DE VISSCHER (the opinion of the Advocate general is accessible on the repository of the Ministry of Justice: http://jure.juridat.just.fgov.be/JuridatSearchCombined/).

123 *See* CJEU, 13 November 2018, *Levola Hengelo BV v Smilde Foods BV*, C-310/17, EU:C:2018:899. Some authors consider that the exclusion of "tastes" from the protection of copyright is temporary, because the CJEU mentioned that "(…) it is not possible in the current state of scientific development to achieve by technical means a precise and objective identification of the taste of a food product (…)" (para. 43). We do think that the condemning is much more radical and that in the opinion of the CJEU, a taste could simply not qualify as a work. We posit that the CJEU would reach the same outcome as to a smell. For further details on this argument, *see* J. CABAY, F. GOTZEN, "Une saveur n'est pas une œuvre : « Cette leçon vaut bien un fromage, sans doute »", Comments on CJEU, 13 November 2018, *Levola Hengelo c. Smilde Foods*, C-310/17, *Revue de Droit Commercial belge*, 2019, pp. 806–807.

124 We have been advocating elsewhere that artificial intelligence productions do not qualify as works and belong to the public domain. For further details on this argument, *see* J. CABAY, "Droit d'auteur et intelligence artificielle : comparaison n'est pas raison", *Entertainment & Law*, 2019, pp. 307–325 ; J. CABAY, "Mort ou résurrection de l'auteur ? A propos de l'intelligence artificielle et de la propriété intellectuelle", *Revue de la Faculté de Droit de l'Université de Liège*, 2019, pp. 179–190.

125 This was one of the question referred to the CJEU in *Levola*, that has not been answered since it found that a taste could not enjoy copyright protection in the EU (*see* question 2(d): "How should the court in infringement proceedings determine whether the taste of the defendant's food product corresponds to such an extent with the taste of the applicant's food product that it constitutes an infringement of copyright? Is a determining factor here that the overall impressions of the two tastes are the same?"). Currently, there is absolutely no harmonization in relation to the relevant "similarity" criteria. As an example, whereas the Dutch Hoge Raad has considered that copyright infringement should be addressed in the light of the "overall impression" between the works, the French Court of cassation has ruled to the contrary that the judge cannot subject a finding of infringement to such an "overall impression", *see* Hoge Raad, 12 April 2013, ECLI:NL:HR:2013:BY1532, para. 5.3; Cour de cassation (com.) (France), 8 April 2014, *P.I.*, 2014, p. 271, obs. A. LUCAS. *See* further on

If one wants to claim copyright protection in a work, beyond asserting authorship (for the purpose of which Article 5 of IPRE Directive will prove useful), they will have to prove that the two conditions of "intellectual creation of the author" (originality) and "expression of that creation" (expression) are met.[126] It is for the alleged author to bear the burden of that proof, following the general legal principle[127] that "(…) where there is a dispute over the existence of a right, it is for the person claiming that the right does or does not exist to substantiate that claim (*actori incumbit probatio*) (…)".[128] In *Systran* the GC repeated this principle, though considered that this was reversed in copyright matters by virtue of Article 5 of IPRED.[129] As we have suggested above, this reversal is appropriate only as far as authorship/ownership is concerned, but not the existence of a copyright protection as such, which onus of the proof lies with the alleged (possibly presumed) author. In case of litigation, we are indeed of the opinion that it is of public (domain) interest that a work is not merely presumed to be protected by copyright but is actually proven to be so.[130] This is certainly in line with the "fair balance" doctrine.[131]

From a methodological standpoint and despite the language of the CJEU in *Cofemel*[132] and *Bromptom*,[133] the alleged author shall first identify the "expression". In *Levola* the CJEU stated that "(…) the subject matter protected by copyright must be expressed in a manner which makes it identifiable with sufficient precision and objectivity (…)".[134] This is necessary in order to strike a far balance, notably because "(…) individuals, in particular, economic operators, (…) must be able to identify, clearly and precisely, what is the subject matter of protection which third parties, especially competitors, enjoy (…)".[135] Legal uncertainty as to the claimed expression would indeed be likely to impact freedom of expression and information and freedom to conduct business of third parties.

Second, the alleged author shall prove originality in relation to this identified expression. In the absence of any registration, it could be cumbersome for the author to actually "prove" originality, which ultimately might impact their fundamental rights to an effective remedy

---

that issue J. CABAY, *L'objet de la protection du droit d'auteur – Contribution à l'étude de la liberté de création*, Ph.D. Thesis, Université Libre de Bruxelles, 2016, pp. 309–313.

126 The CJEU has made clear that the concept of work entails these two conditions, *see* CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 22; CJEU, 12 September 2019, *Cofemel – Sociedade de Vestuário SA v G-Star Raw CV*, C-683/17, EU:C:2019:721, para. 29.

127 *See* for such qualification Opinion of the Advocate General Jääskinen in *European Commission v Deutsche Post AG*, C-399/08 P, EU:C:2010:481, para. 88; Opinion of the Advocate General Tizzano in *Laboratoires Boiron SA*, C-526/04, EU:C:2006:219, para. 68.

128 GC, 16 December 2010, *Systran SA and Systran Luxembourg SA v European Commission*, T-19/07, EU:T:2010:526, para. 206.

129 *Ibid*.

130 *Compare* as regards patents CJEU, 25 February 1986, *Windsurfing International Inc. v Commission of the European Communities*, 193/83, EU:C:1986:75, para. 92 ("(…) it is in the public interest to eliminate any obstacle to economic activity which may arise where a patent was granted in error (…)").

131 In particular, the CJEU has clearly stated that the protection of the right to intellectual property enshrined in Article 17(2) of the Charter, which supposes an existing and valid IP right (at discussion in our hypothesis), does not entail that "(…) that right is inviolable and must for that reason be absolutely protected", *see i.a.* CJEU, 24 November 2011, *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)*, C-70/10, EU:C:2011:771, para. 43.

132 CJEU, 12 September 2019, *Cofemel – Sociedade de Vestuário SA v G-Star Raw CV*, C-683/17, EU:C:2019:721, para. 29.

133 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 22.

134 CJEU, 13 November 2018, *Levola Hengelo BV v Smilde Foods BV*, C-310/17, EU:C:2018:899, para. 40.

135 CJEU, *Levola*, para. 41.

and to intellectual property. A better approach could be inspired from the *Karen Millen*[136] case, in which the CJEU interpreted Article 85(2) of the Community Design Regulation, which concerns the "presumption of validity" of an unregistered Community design, in the sense that it "(…) cannot be interpreted as entailing an obligation to prove that the design concerned has individual character".[137] Rather, "(…) it is sufficient for [the holder of the design at issue] to identify the features of his design which give it individual character".[138] In the wording of Article 85(2) of the Community Design Regulation, limiting the burden to "identifying" rather than "proving" individual character can be further justified by the fact that that provision leaves the defendant with the possibility to contest the validity of that design.[139] This approach can be transposed to copyright, considering the identical underlying rationale (no registration). In addition, the individual character requirement for design protection shows evident similarities with the originality criterion, in particular, through the role of prior art[140] (of considerable importance in the copyright practice[141]) and the taking into account of the freedom of the designer[142] (similar, yet not identical, to the "free choice" criteria relevant in copyright).

Following this approach and in order to strike a fair balance, we suggest that the burden of proof should shift from a party to another as follows, in a four stages analysis.

First, the applicant shall identify the "free choices" they made, that is the choices that have not been entirely "(…) dictated by technical considerations, rules or other constraints (…)".[143] In the practice, this can be done through the "proof of the alternatives", that is putting forward a different work which has a different form from that of the creation for which protection is claimed, but which produces the same technical effect or pursues the same function.

Second, the defendant, in order to challenge originality, should dispute these "free choices". Mirroring the obligation of the applicant, the defendant cannot be asked to prove that the work is actually not original, but rather identifying elements that would preclude originality. To this aim and from a practical standpoint, they are very likely to succeed if they can put forward (at least) one prior work similar to the one at dispute.

In copyright, the relevance of prior art to that end is based on a presumption of copying of this prior art by the applicant, similar to what has been admitted by the CJEU at the infringement stage in *Gautzsch Großhandel*[144] as regards unregistered Community Design. Such presumption does exist in the case law of various Supreme Courts in the EU at the copyright

136 CJEU, 19 June 2014, *Karen Millen Fashions Ltd v Dunnes Stores and Dunnes Stores (Limerick) Ltd,* C-345/13, EU:C:2014:2013.

137 CJEU, *Karen Millen*, para. 45.

138 CJEU, *Karen Millen*, para. 46.

139 CJEU, *Karen Millen*, para. 45.

140 Pursuant to Article 6(1)(a) of the Community Design Regulation, individual character is function of the overall impression produced on the informed user when comparing the unregistered Community design with designs that have been disclosed before it has been first made available to the public.

141 At least as far as our jurisdiction (Belgium) is concerned, *see* J. CABAY, A. STROWEL, "La nouveauté : un indice d'originalité à l'épreuve d'Internet", *in* J. CABAY, V. DELFORGE, V. FOSSOUL, M. LAMBRECHT (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, pp. 17–68.

142 *See* Article 6(2) of the Community Design Regulation ("In assessing individual character, the degree of freedom of the designer shall be taken into consideration").

143 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 24.

144 CJEU, 13 February 2014, *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH*, C-479/12, EU:C:2014:75, paras. 37–44.

infringement stage[145] and has been recently adopted at the protection stage by the Belgian Court of Cassation.[146] Logically, and following *Brompton*,[147] only prior (and not posterior[148]) art could be taken into consideration. Admittedly, the choices that have been copied from another work cannot be said original, as they do not reflect this author's personality but that of the copied author.

It is beyond the scope of this contribution to discuss here the specific features of such a presumption, but it is crucial to emphasize that, in order to strike a fair balance, it is not enough for the defendant to merely put forward similar prior works. Indeed, originality is not novelty. Thus in the case of an applicant that did not copy a prior work, denying copyright protection to the applicant's work for a mere resemblance with this prior work would conflict with the protection of IP guaranteed by Article 17(2) of the Charter. Hence, in addition to putting forward such prior works, the defendant should also identify "Access" (in the wording of US copyright doctrine), that is a "(…) reasonable opportunity to see [the prior] work; it is not properly defined as proof that the [applicant] actually saw the work".[149, 150]

Third, the applicant will have the possibility to rebut the evidence put forward by the defendant, in particular, prior works. With regards to those, they will basically have three options: showing that the prior work is not similar to their work as regards the alleged "free choices", that the alleged prior work is actually posterior to their work, or that they did not actually have a reasonable opportunity to experience this prior work. If the applicant were to make plausible any of those three options, then the prior work put forward by the defendant could not trigger a presumption of copying by the applicant. Conversely if they cannot make this plausible, then their work could not be considered original as a consequence of this presumption.

At this stage of the analysis, the "free and creative choices" identified by the applicant that have not been contradicted by the defendant, in particular, on the basis of a prior work, are very likely to actually prove originality of their work. However, we do think that a fair balance analysis entails a fourth step in order to eventually reach such a conclusion on originality.

145 In Belgium, *see* Cour de cassation, 3 September 2009, *Pas.*, 2009, I, p. 1782, n° 476, *A&M*, 2010, p. 171, *I.R.D.I.*, 2009, p. 411, note M. BUYDENS, *R.W.*, 2010–2011, p. 1. In France, *see* Cour de cassation (1ère civ.), 2 October 2013, *D.*, 2013, p. 2499, note A. Latil, *R.I.D.A.*, 2014/239, p. 487, obs. P. SIRINELLI, *RTD Com.*, 2013, p. 723, obs. F. POLLAUD-DULIAN. In the Netherlands, *see* Hoge Raad, 29 November 2002, *NJ*, 2003, p. 17, *AMI*, 2003, p. 15, note VISSER, *IER*, 2003, note FWG, para. 3.3; Hoge Raad, 18 February 2000, *NJ*, 2000, p. 309, para. 3.5.

146 Cour de cassation, 17 October 2019, *I.C.I.P.*, 2019, p. 840, obs. F. DE VISSCHER.

147 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 37 ("(…) in order to assess whether the folding bicycle at issue in the main proceedings is an original creation and is thus protected by copyright, it is for the referring court to take account of all the relevant aspects of the present case, as they existed when that subject matter was designed, irrespective of the factors external to and subsequent to the creation of the product").

148 This is under discussion in Belgium, following a decision of the Cour de cassation admitting posterior art in the assessment of originality. *See* further on that discussion J. CABAY, "L'affaire Madonna ou le triomphe de l'anecdote", comments on Cour de cassation (Belgium), 14 December 2015, *Journal des Tribunaux*, 2016, pp. 476–479.

149 D. NIMMER, "Access Denied", *Utah Law Review*, 2007, 2007(3), p. 772.

150 The changes to accessing information brought by the Internet and search engines shall be taken into consideration in defining "Access". *See* for further discussion on that issue J. CABAY, A. STROWEL, "La nouveauté : un indice d'originalité à l'épreuve d'Internet", *in* J. CABAY, V. DELFORGE, V. FOSSOUL, M. LAMBRECHT (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, pp. 17–68 (EU and Belgian law); D. NIMMER, "Access Denied", *Utah Law Review*, 2007, 2007(3), pp. 769–788 (US law).

In *Brompton*, the CJEU clearly stated that it is not enough to evidence a "(…) possibility of choice as to the shape of a subject matter (…)"[151] in order to conclude that a work is original. In so doing it rejected the "multiplicity of forms theory" as it previously did in the field of trade mark[152] and design[153] law, and arguably aligned on the same rationale of a balancing exercise between protection of IP and free competition. The same kind of rationale is to be found in the "Merger Doctrine" from US law,[154] that has evidently inspired the CJEU in elaborating its "free and creative choice" criterion in *Bezpečnostní softwarová asociace*[155] and that was precisely confirmed in *Funke Medien*[156] and more evidently in *Brompton*.[157]

Building upon that underlying rationale and following the approach of the CJEU enshrined in the Charter of Fundamental Rights, we think that the "fair balance" doctrine would prove an appropriate tool in order to address the issue of "creative" choices, beyond "free" choices. In fact, once it is acknowledged that the applicant's work is not copied from another previous work and that the applicant enjoyed some room for making choices, it does not follow that these choices are actually "creative" and likely to reflect their "personality". In our opinion, there is no such "creativity" (nor "personality") where these choices are very likely to be made independently by a subsequent author. Indeed, awarding copyright protection for those choices to the first person who made them might have dramatic consequences: another person who subsequently made the same choices would not be considered an author and could eventually be deemed an infringer. This is problematic when this second person actually did not copy but is considered as having done so, by virtue of the presumption of

151 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 32.

152 CJEU, 14 September 2010, *Lego Juris A/S v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, C-48/09 P, EU:C:2010:516, paras. 53–60; CJEU, 18 June 2002, *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd*., C-299/99, EU:C:2002:377, paras. 81–83.

153 CJEU, 8 March 2018, *DOCERAM GmbH v CeramTec GmbH*, C-395/16, EU:C:2018:172, para. 30 ("(…) if the existence of alternative designs fulfilling the same function as that of the product concerned was sufficient in itself to exclude the application of Article 8(1) of Regulation No 6/2002, a single economic operator would be able to obtain several registrations as a Community design of different possible forms of a product incorporating features of appearance of that product which are exclusively dictated by its technical function. That would enable such an operator to benefit, with regard to such a product, from exclusive protection which is, in practice, equivalent to that offered by a patent, but without being subject to the conditions applicable for obtaining the latter, which would prevent competitors offering a product incorporating certain functional features or limit the possible technical solutions, thereby depriving Article 8(1) of its full effectiveness").

154 *See,* in particular, *Morrissey v. Procter & Gamble Co*., 379 F.2d 675, 678–679 (1st Cir. 1967) ("When the uncopyrightable subject matter is very narrow, so that 'the topic necessarily requires', if not only one form of expression, at best only a limited number, to permit copyrighting would mean that a party or parties, by copyrighting a mere handful of forms, could exhaust all possibilities of future use of the substance. In such circumstances it does not seem accurate to say that any particular form of expression comes from the subject matter. However, it is necessary to say that the subject matter would be appropriated by permitting the copyrighting of its expression. We cannot recognize copyright as a game of chess in which the public can be checkmated").

155 CJEU, 22 December 2010, *Bezpečnostní softwarová asociace - Svaz softwarové ochrany v Ministerstvo kultury*, C-393/09, EU:C:2010:816, para. 49 ("(…) where the expression of those components is dictated by their technical function, the criterion of originality is not met, since the different methods of implementing an idea are so limited that the idea and the expression become indissociable").

156 CJEU, 29 July 2019, *Funke Medien NRW GmbH v Bundesrepublik Deutschland*, C-469/17, EU:C:2019:623, para. 24.

157 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 31 ("(…) that cannot be the case where the realisation of a subject matter has been dictated by technical considerations, rules or other constraints which have left no room for creative freedom or room so limited that the idea and its expression become indissociable").

copying. Albeit rebuttable in principle, the practice shows that such presumption is extremely difficult (virtually impossible) to rebut.[158]

Thus, at the protection stage, each time a true creator will not be able to rebut such presumption, they will be wrongfully deprived from the copyright protection they are entitled to and that is guaranteed by Article 17(2) of the Charter. Furthermore, at the infringement stage, they might be wrongfully limited in the exercise of their freedom of expression, freedom of arts and/or freedom to conduct a business, guaranteed, respectively, by Article 11, 13 and 16 of the Charter.

In such a situation, it seems that a fair balance between all fundamental rights at stake could not be considered to be struck. One can even go further and wonder whether denying copyright protection to the author who actually did not copy a prior work but cannot rebut the presumption of copying would not amount to infringing on the "essence"[159] of their fundamental right to intellectual property.

Therefore, at the fourth stage of the analysis, the parties shall discuss the "balance of probabilities" that a subsequent creator would independently make the same choices than the applicant. If so, though "free" those choices will not be regarded as "creative" and therefore will not be protected. Conversely, if the alleged "free and creative choices" cannot be reasonably expected to be made by a subsequent independent creator, then it would be completely legitimate that their author be entitled with a set of long duration exclusive rights thereto.

Ultimately, it is for the national courts to address this balance of probabilities, as it is for the national court to address the fair balance (*supra*), in the course of its national procedural rules. This task will be particularly difficult since the court shall make this assessment "(…) irrespective of the factors external to and subsequent to the creation of the product".[160] Yet such assessment has to be made, since every situation covered by EU Law entails the applicability of the Charter.[161]

Conclusion

Similar to the harmonization of copyright law in the EU, CJEU case law dedicated to the requirements for copyright protection so far is only partial. Many aspects are yet to be examined, including those related to what and how one should prove it.

This chapter has sought to point out that the discussion will inevitably take place before the CJEU. Indeed, the lack of explicit harmonization in EU secondary law (on this, see the discussion in Chapter 10) does not mean that the Member States have free rein to rule on evidential aspects of copyright in the framework of their procedural autonomy. On the one hand, CJEU case law in the field of trade mark and design law shows clearly that the internal market objective pushes toward harmonization of those aspects. On the

158 At least as far as our jurisdiction (Belgium) is concerned, *see* further J. CABAY, *L'objet de la protection du droit d'auteur – Contribution à l'étude de la liberté de création*, Ph.D. Thesis, Université Libre de Bruxelles, 2016, p. 572; J. CABAY, A. STROWEL, "La nouveauté : un indice d'originalité à l'épreuve d'Internet", *in* J. CABAY, V. DELFORGE, V. FOSSOUL, M. LAMBRECHT (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, p. 42.

159 *See* further on the essence of this right M. HUSOVEC, "The Essence of Intellectual Property Rights Under Article 17(2) of the EU Charter", *German Law Journal*, 2019, 20, pp. 840–863.

160 CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461, para. 37.

161 CJEU, 26 February 2013, *Åklagaren v Hans Åkerberg Fransson*, C-617/10, EU:C:2013:105, para. 21.

other hand, the traditional limit on procedural autonomy, to be found in the principle of effectiveness, seems to outreach its original scope since it has been complemented with the right to effective judicial protection enshrined in the Charter of Fundamental Rights of the European Union. With the entry into force of the Treaty of Lisbon, the Charter has become a powerful tool in the hands of the CJEU, which seems to serve the objective of completing the internal market. The area of copyright has proved a chosen land for the CJEU to develop its interpretation of EU law on the basis of the Charter, especially with the emerging doctrine of "fair balance" between fundamental rights. This doctrine has not yet come into play at the very core of copyright, through shaping the basic requirements for protection. However, we are confident this time will come,[162] as in our opinion it follows logically from the CJEU case law.

The day that the CJEU will address the requirements for copyright protection through the lens of the fair balance doctrine, we do believe that the resulting outcome will include in the analysis evidential aspects thereof. The reason is that, according to the President of the CJEU,

> (…) the way in which a conflict between fundamental rights is resolved *in concreto* is not a matter for Union law, but for national law. Union law provides only an analytical framework which Member States must respect. Thus, the margin of discretion available to Member States when transposing copyright directives is 'framed' by the requirement that a fair balance be struck between the fundamental rights applicable.[163]

Though commanded by EU law, "[t]here is no indication whatsoever of how exactly such a balance ought to be achieved in individual cases (…)".[164] Thus, in order to provide such an analytical framework when asked to interpret the EU copyright requirements for protection in the frame of the preliminary reference procedure, the CJEU might find appropriate to define abstract procedural rules at the EU level that would help reaching a substantive fair balance at the national level.

In the final section, we proposed a blueprint for proving copyright protection in the EU, that in our opinion strikes a fair balance between the fundamental rights applicable. Hopefully, this might serve as a basis for a future discussion before the CJEU. In the meantime, it will provide some food for thought to those in search of making concrete sense of originality.

162 Supporting our view, in a recent trade mark case the CJEU explicitly stated that "(…) freedom of expression, enshrined in Article 11 of the Charter of Fundamental Rights of the European Union, must (…) be taken into account when applying Article 7(1)(f) of Regulation No 207/2009 (…)", that is the absolute ground for refusal to register "trade marks which are contrary to public policy or to accepted principles of morality", *see* CJEU, 27 February 2020, *Constantin Film Produktion GmbH v European Union Intellectual Property Office*, C-240/18 P, EU:C:2020:118, para. 56.

163 K. LENAERTS, "Le droit d'auteur dans l'ordre juridique de l'Union européenne : une perspective constitutionnelle", *in* J. CABAY, V. DELFORGE, V. FOSSOUL, M. LAMBRECHT (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, p. 245 ("(…) la façon dont un conflit entre droits fondamentaux est résolu *in concreto* n'incombe pas au droit de l'Union, mais au droit national. Le droit de l'Union ne prévoit qu'un cadre analytique que les Etats membres doivent respecter. Ainsi, la marge d'appréciation dont les Etats membres disposent lors de la transposition des directives en matière de droit d'auteur est 'encadrée' par l'exigence que soit assuré un juste équilibre entre les droits fondamentaux applicables") (our translation).

164 *Compare* with Opinion of the Advocate General Bobek in *Constantin Film Produktion GmbH v European Union Intellectual Property Office*, C-240/18 P, EU:C:2019:553, para. 53.

References

CABAY, J., "Droit d'auteur et intelligence artificielle: comparaison n'est pas raison", *Entertainment & Law*, 2019, pp. 307–325.

CABAY, J., "L'affaire Madonna ou le triomphe de l'anecdote", comments on Cour de cassation, 14 December 2015, *Journal des Tribunaux*, 2016, pp. 476–479.

CABAY, J., "La Cour de justice, le droit d'auteur et le marché unique numérique : voyage intertextuel au pays des hyperliens", *in* BERTHOLD, N. (ed.), *Droit de la propriété intellectuelle – Actualité législative et jurisprudence récente de la Cour de justice de l'Union européenne*, Bruxelles, Larcier, 2019, pp. 51–82.

CABAY, J., *L'objet de la protection du droit d'auteur – Contribution à l'étude de la liberté de création*, Ph.D. Thesis, Université Libre de Bruxelles, 2016.

CABAY, J., "L'originalité, entre *merger doctrine* et multiplicité des formes (ou: Quand la Cour de justice fait l'expérience de l'équilibre sur un vélo pliable)", *Revue de droit intellectuel – L'Ingénieur-Conseil*, 2020, pp. 617–650.

CABAY, J., "Mort ou résurrection de l'auteur? A propos de l'intelligence artificielle et de la propriété intellectuelle", *Revue de la Faculté de Droit de l'Université de Liège*, 2019, pp. 179–190.

CABAY, J., GOTZEN, F., "Une saveur n'est pas une œuvre : « Cette leçon vaut bien un fromage, sans doute »", Comments on CJEU, 13 November 2018, *Levola Hengelo c. Smilde Foods*, C-310/17, *Revue de Droit Commercial belge*, 2019, pp. 793–811.

CABAY, J., LAMBRECHT, M., "Les droits intellectuels, entre autres droits fondamentaux : La Cour de justice à la recherche d'un 'juste équilibre' en droit d'auteur", *in* CABAY, J., STROWEL, A. (eds.), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations*, Bruxelles, Larcier, 2019, pp. 181–242.

CABAY, J., STROWEL, A., "La nouveauté : un indice d'originalité à l'épreuve d'Internet", *in* CABAY, J., DELFORGE, V., FOSSOUL, V., LAMBRECHT, M. (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, pp. 17–68.

DERCLAYE, E., "Right and wrong analogies: the CJEU's use of trade mark concepts in copyright and design law", *European Intellectual Property Review*, 2020, 42(2), pp. 78–83.

DUBOS, O., "Que reste-t-il de l'autonomie procédurale du juge national? Histoire de l'attribution d'un compétence au nom de l'effectivité et de l'efficacité du droit de l'Union", *in* NEFRAMI, E. (ed.), *Renvoi préjudiciel et marge d'appréciation du juge national*, Bruxelles, Larcier, 2015, pp. 159–182.

FARTUNOVA, M., *La preuve dans le droit de l'Union européenne*, Bruxelles, Bruylant, 2013.

GRIFFITHS, J., "Constitutionalising or harmonising? The Court of Justice, the right to property and European Copyright Law", *European Law Review*, 2013, 38(1), pp. 65–78.

GRIFFITHS, J., "Taking power tools to the *acquis* – The Court of Justice, the charter of fundamental rights and European Union Copyright Law", *in* GEIGER, C., NARD, C. A., SEUBA, X. (eds.), *Intellectual Property and the Judiciary*, Cheltenham; Northampton, MA, Edward Elgar, 2018, pp. 144–174.

HUSOVEC, M., "The Essence of Intellectual Property Rights Under Article 17(2) of the EU Charter", *German Law Journal*, 2019, 20, pp. 840–863.

KROMMENDIJK, J., "Is there light on the horizon? The distinction between '*Rewe* effectiveness' and the principle of effective judicial protection in article 47 of the Charter after *Orizzonte*", *Common Market Law Review*, 2016, 53, pp. 1395–1418.

LAW, S., NOWAK, J. T., "Procedural harmonisation by the European Court of Justice. Procedural Autonomy and the Member States' Perspective", *in* GASCÓN INCHAUSTI, F., HESS, B. (eds.), *The Future of the European Law of Civil Procedure: Coordination or Harmonisation?* Cambridge, Intersentia, 2020, pp. 17–68.

LENAERTS, K., "Le droit d'auteur dans l'ordre juridique de l'Union européenne : une perspective constitutionnelle", *in* CABAY, J., DELFORGE, V., FOSSOUL, V., LAMBRECHT, M. (éds.), *20 ans de nouveau droit d'auteur – 20 jaar nieuw auteursrecht*, Limal, Anthemis, 2015, pp. 243–249.

MANCANO, L., "Judicial harmonisation through autonomous concepts of European Union Law: the example of the European arrest warrant Framework Decision", *European Law Review*, 2018, 43(1), pp. 69–82.

MASOUYÉ, C., *Guide to the Berne Convention for the Protection of Literary and Artistic Works (Paris Act, 1971)*, Geneva, WIPO, 1978.

NIMMER, D., "Access Denied", *Utah Law Review*, 2007, 2007(3), pp. 769–788.

PICOD, F., "Article 51", *in* PICOD, F., RIZCALLAH, C., VAN DROOGHENBROECK, S. (eds.), *Charte des droits fondamentaux de l'Union européenne*, 2nd ed., Bruxelles, Bruylant, 2020, pp. 1223–1248.

ROSATI, E., *Originality in EU Copyright. Full Harmonization through Case Law*, Cheltenham; Northampton, MA, Edward Elgar, 2013.

VAN CLEYNENBREUGEL, P., "Judge-made standards of national procedure in the post-Lisbon constitutional framework", *European Law Review*, 2012, 37(1), pp. 90–100.

VAN EECHOUD, M., HUGENHOLTZ, P. B., VAN GOMPEL, S., GUIBAULT, L., HELBERGER, N., *Harmonizing European Copyright Law. The Challenges of Better Lawmaking*, Alphen aan den Rijn, Kluwer Law International, 2009.

WALLERMAN, A., "Can two walk together, except they be agreed? Preliminary references and (the erosion of) national procedural autonomy", *European Law Review*, 2019, 44(2), pp. 159–177.

Case law

Court of Justice

CJEU, 17 February 1976, *Rewe-Zentrale des Lebensmittel-Großhandels GmbH v Hauptzollamt Landau/Pfalz*, 45–75, EU:C:1976:22.

CJEU, 25 February 1986, *Windsurfing International Inc. v Commission of the European Communities*, 193/83, EU:C:1986:75.

CJEU, 23 March 2000, *Hauptzollamt Neubrandenburg v Leszek Labis / Sagpol SC Transport Miedzynarodowy i Spedycja*, C-310/98 and C-406/98, EU:C:2000:154.

CJEU, 18 June 2002, *Koninklijke Philips Electronics NV v Remington Consumer Products Ltd.*, C-299/99, EU:C:2002:377.

CJEU, 10 April 2003, *Joachim Steffensen*, C-276/01, EU:C:2003:228.

CJEU, 18 October 2005, *Class International BV v Colgate-Palmolive Company and Others*, C-405/03, EU:C:2005:616.

CJEU, 29 January 2008, *Productores de Música de España (Promusicae) v Telefónica de España SAU*, C-275/06, EU:C:2008:54.

CJEU, 16 July 2009, *Infopaq International A/S v Danske Dagblades Forening*, C-5/08, EU:C:2009:465.

CJEU, 16 July 2009, *Tomasz Rubach*, C-344/08, EU:C:2009:482.

CJEU, 14 September 2010, *Lego Juris A/S v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, C-48/09 P, EU:C:2010:516.

CJEU, 21 October 2010, *Padawan SL v Sociedad General de Autores y Editores de España (SGAE)*, C-467/08, EU:C:2010:620.

CJEU, 22 December 2010, *Bezpečnostní softwarová asociace - Svaz softwarové ochrany v Ministerstvo kultury*, C-393/09, EU:C:2010:816.

CJEU, 24 November 2011, *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)*, C-70/10, EU:C:2011:771.

CJEU, 1 December 2011, *Eva-Maria Painer v Standard VerlagsGmbH and Others*, C-145/10, EU:C:2011:798.

CJEU, 15 November 2012, *Bericap Záródástechnikai Bt. v Plastinnova 2000 Kft.*, C-180/11, EU:C:2012:717.

CJEU, 26 February 2013, *Åklagaren v Hans Åkerberg Fransson*, C-617/10, EU:C:2013:105.

CJEU, 13 February 2014, *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH*, C-479/12, EU:C:2014:75.

CJEU, 6 March 2014, *Cruciano Siragusa v Regione Sicilia — Soprintendenza Beni Culturali e Ambientali di Palermo*, C-206/13, EU:C:2014:126.

CJEU, 27 March 2014, *UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH*, C-314/12, EU:C:2014:192.

CJEU, 10 April 2014, *ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding*, C-435/12, EU:C:2014:254.

CJEU, 19 June 2014, *Karen Millen Fashions Ltd v Dunnes Stores and Dunnes Stores (Limerick) Ltd,* C-345/13, EU:C:2014:2013.

CJEU, 19 June 2014, *Oberbank AG and Others v Deutscher Sparkassen- und Giroverband eV*, C-217/13 and C-218/13, EU:C:2014:2012.

CJEU, 3 September 2014, *Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others*, C-201/13, EU:C:2014:2132.

CJEU, 5 March 2015, *Copydan Båndkopi v Nokia Danmark A/S*, C-463/12, EU:C:2015:144.
CJEU, 16 July 2015, *Coty Germany GmbH v Stadtsparkasse Magdeburg*, C-580/13, EU:C:2015:485.
CJEU, 16 July 2015, *Huawei Technologies Co. Ltd v ZTE Corp. and ZTE Deutschland GmbH*, C-170/13, EU:C:2015:477.
CJEU, 8 September 2016, *GS Media BV v Sanoma Media Netherlands BV and Others*, C-160/15, EU:C:2016:644.
CJEU, 27 September 2017, *Peter Puškár v Finančné riaditeľstvo Slovenskej republiky and Kriminálny úrad finančnej správy*, C-73/16, EU:C:2017:725.
CJEU, 19 October 2017, *Hansruedi Raimund v Michaela Aigner*, C-425/16, EU:C:2017:776.
CJEU, 8 March 2018, *DOCERAM GmbH v CeramTec GmbH*, C-395/16, EU:C:2018:172.
CJEU, 18 October 2018, *Bastei Lübbe GmbH & Co. KG v Michael Strotzer,* C-149/17, EU:C:2018:841.
CJEU, 13 November 2018, *Levola Hengelo BV v Smilde Foods BV*, C-310/17, EU:C:2018:899.
CJEU, 29 July 2019, *Funke Medien NRW GmbH v Bundesrepublik Deutschland*, C-469/17, EU:C:2019:623.
CJEU, 29 July 2019, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17, EU:C:2019:624.
CJEU, 29 July 2019, *Spiegel Online GmbH v Volker Beck*, C-516/17, EU:C:2019:625.
CJEU, 12 September 2019, *Cofemel – Sociedade de Vestuário SA v G-Star Raw CV*, C-683/17, EU:C:2019:721.
CJEU, 27 February 2020, *Constantin Film Produktion GmbH v European Union Intellectual Property Office*, C-240/18 P, EU:C:2020:118.
CJEU, 11 June 2020, *SI and Brompton Bicycle Ltd v Chedech / Get2Get*, C-833/18, EU:C:2020:461.
CJEU, 9 July 2020, *Constantin Film Verleih GmbH v YouTube LLC and Google Inc.*, C-264/19, EU:C:2020:542.
CJEU, 28 October 2020, *BY v CX*, C-637/19, EU:C:2020:863.

General Court

GC, 16 December 2010, *Systran SA and Systran Luxembourg SA v European Commission*, T-19/07, EU:T:2010:526.

AG Opinions

Opinion of the Advocate General Jacobs in *Class International BV v Colgate-Palmolive Company and Others*, C-405/03, EU:C:2005:318.
Opinion of the Advocate General Tizzano in *Laboratoires Boiron SA*, C-526/04, EU:C:2006:219.
Opinion of the Advocate General Jääskinen in *European Commission v Deutsche Post AG*, C-399/08 P, EU:C:2010:481.
Opinion of the Advocate General Wathelet in *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH*, C-479/12, EU:C:2013:537.
Opinion of the Advocate General Cruz Villalón in *Coty Germany GmbH v Stadtsparkasse Magdeburg*, C-580/13, EU:C:2015:243.
Opinion of the Advocate General Kokott in *Peter Puškár v Finančné riaditeľstvo Slovenskej republiky and Kriminálny úrad finančnej správy*, C-73/16, EU:C:2017:253.
Opinion of the Advocate General Szpunar in *Bastei Lübbe GmbH & Co. KG v Michael Strotzer*, C-149/17, EU:C:2018:400.
Opinion of the Advocate General Bobek in *Constantin Film Produktion GmbH v European Union Intellectual Property Office*, C-240/18 P, EU:C:2019:553.

Domestic case law

Belgium

Commercial Court Antwerpen, 14 February 2019, *I.C.I.P.*, 2019, p. 138, *R.D.J.P.*, 2020, p. 29.
Commercial Court Antwerpen, 18 January 2018, A/17/1092 (unpublished).
Commercial Court Antwerpen, 2 November 2017, A/16/8494, available online on IE-Forum (*IEFbe2404*), https://www.ie-forum.be/artikelen/auteursrechtelijke-bescherming-van-pliage-tas-slechts-de-techniek-van-plooibare-tas-is-bekend-uit-ee (lastly consulted: 04/01/2021).

Cour de cassation (Belgium), 3 September 2009, *Pas.*, 2009, I, p. 1782, n° 476, *A&M*, 2010, p. 171, *I.R.D.I.*, 2009, p. 411, note M. BUYDENS, *R.W.*, 2010–2011, p. 1.
Cour de cassation (Belgium), 17 October 2019, *I.C.I.P.*, 2019, p. 840, obs. F. DE VISSCHER.
Commercial Court Ghent, 22 October 2020, A/19/01407, available online on IE-Forum (*IEFbe 3138*), https://www.ie-forum.be/artikelen/schadevergoeding-wegens-foutief-beslag-en-roekeloos-geding (lastly consulted: 04/01/2021).

France

Cour de cassation (1ère civ.) (France), 2 October 2013, *D.*, 2013, p. 2499, note A. LATIL, *R.I.D.A.*, 2014/239, p. 487, obs. P. SIRINELLI, *RTD Com.*, 2013, p. 723, obs. F. POLLAUD-DULIAN.
Cour de cassation (com.) (France), 8 April 2014, *P.I.*, 2014, p. 271, obs. A. LUCAS.

Netherlands

Hoge Raad (Netherlands), 18 February 2000, *NJ*, 2000, p. 309.
Hoge Raad (Netherlands), 29 November 2002, *NJ*, 2003, p. 17, *AMI*, 2003, p. 15, note VISSER, *IER*, 2003, note FWG.
Hoge Raad (Netherlands), 12 April 2013, ECLI:NL:HR:2013:BY1532.

United States of America

Court of Appeal (1st Cir.) (USA), *Morrissey v. Procter & Gamble Co.*, 379 F.2d 675 (1st Cir. 1967).



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

SECTION IV

The state of copyright exceptions and limitations



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

12

THE QUOTATION EXCEPTION UNDER EU COPYRIGHT LAW

Paving the way for user rights

Stavroula Karapapa

Abstract

A fundamental act of permissible use in copyright law, quotation, has a relatively broad scope under EU copyright as the Court of Justice of the European Union (CJEU) has affirmed. Developing a principle-based perspective on the theoretical justification underpinning copyright protection as a dialogue between authors and users, cases C-469/17 *Funke Medien*, C-476/17 *Pelham*, and C-516/17 *Spiegel Online* explain that exceptions and limitations to copyright, including the quotation exception, crystallize the balance between copyright and fundamental freedoms, such as freedom of speech. External application of fundamental freedoms as defensive rules is hence not necessary. A natural unfolding of the implications of the concept of the balance between copyright and fundamental rights is that the CJEU affirmed the integral status of copyright exceptions and limitations as user rights. This is a ground-breaking insight on the legal nature of these defensive rules under EU copyright law, aligning with scholarly consensus toward the recognition of copyright user rights and departing from national precedents denying the existence of rights of the users.

The present contribution discusses the scope of permissible quotation under EU copyright, investigates the legal nature of this provision and, going beyond current scholarship, inquires the contextual framework and legal implications emerging from the judicial declaration of the relevant legal provision as a right of the users of copyright protected works.

Contents

Abstract 247
Introduction 248
Permitted quotations under international and EU copyright law 249
Permitted quotations under CJEU case law 250
The purpose and character of the use 251
The kind of copyright-protected work 253
The amount and substantiality of the portion taken 254
The effect of the use upon the potential market 254
The copyright balance: exclusive rights, exceptions and fundamental rights 255
The legal nature of the quotation exception 257

Conclusion 260
References 261
Case law 262

Introduction

Quotation is one of the fundamental acts of permissible use in copyright law, finding its roots in freedom of speech and being available under international copyright law.[1] Technically listed as one of the so-called exceptions and limitations to copyright under Article 5 of the Information Society Directive[2] and the national laws implementing it, it is understood to serve as a defense in cases of *prima facie* copyright infringement. Despite the longstanding scholarly consensus in favor of recognizing copyright exceptions premised on fundamental rights as user rights[3] (see specifically the discussion in Chapter 13), the quotation exception, and copyright exceptions and limitations more broadly, have not received such a recognition under EU copyright,[4] until recently.

In a trilogy of cases that were incidentally issued on the same day,[5] the Court of Justice of the European Union (CJEU) discussed the quotation exception of Article 5(3)(d), offering interpretative guidance on the concept of permissible 'quotation', its object and legal nature, and the intersection of the exception with the fundamental rights that underpin it, notably freedom of speech and press. In all three cases, the key question centered on whether freedom of expression and information, including freedom of the media (in cases C-469/17 *Funke Medien* and C-516/17 *Spiegel Online*) and freedom of arts (in case C-476/17 *Pelham*), justifies copyright exceptions or limitations to the exclusive rights of authors or phonogram producers beyond the list of exceptions and limitations available under Article 5 of the Information Society Directive. To put it simply, the question was whether copyright law can be subject to review on the basis of freedom of expression from an external perspective. Upholding the stance of the Advocate General (AG), the Court rejected the idea that the list of exceptions and limitations of Article 5 can be complemented with external defenses, which find their root in fundamental freedoms[6] (on the interplay between copyright and other fundamental rights, see the discussion in Chapter 2; with specific regard to copyright exceptions, see the discussion in Chapter 14). Following a discussion on the so-called copyright balance, the

1 Article 10(1) of the Berne Convention for the Protection of Literary and Artistic Works (as amended on September 28, 1979).

2 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, Official Journal L 167, 22 June 2001 ('Information Society Directive').

3 See, e.g. Pascale Chapderlaine, *Copyright User Rights: Contracts and the Erosion of Property* (Oxford: Oxford University Press, 2017); Niva Elkin-Koren, 'Copyright in a Digital Ecosystem: A User Rights Approach' in Ruth L. Okediji (ed.), *Copyright Law in an Age of Limitations and Exceptions* (New York: Cambridge University Press, 2017) 132.

4 Besides the legal framework envisaged in Article 6 of the Information Society Directive, national case law on other copyright exceptions has so far been negative in recognizing the status of user rights for copyright exceptions. Indicatively see: *Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir*, Cour de Cassation, 19 June 2008, No 07-142777 (France); Supreme Court (Cour de cassation), no 07-18778, 27 November 2008 ('Phil Collins') (France); *L'ASBL Association Belge des Consomateurs Test Achats v La SA EMI Recorded Music Belgium et al*, Tribunal of First Instance of Brussels, 2004/46/A, 27 April 2004 (Belgium).

5 *Funke Medien NRW GmbH v Federal Republic of Germany*, C-469/17, 29 July 2019, ECLI:EU:C:2019:623 ('Funke Medien'); *Pelham GmbH, Moses Pelham, Martin Haas v Ralf Hütter, Florian Schneider-Esleben*, Case C-476/17, 29 July 2019, ECLI:EU:C:2019:624 ('Pelham'); *Spiegel Online v Volker Beck*, Case C-516/17, 29 July 2019, ECLI:EU:C:2019:625 ('Spiegel Online').

6 *Funke Medien*, [64]; *Pelham*, [65]; *Spiegel Online*, [49].

Court stated that exceptions to rights are not to be understood as mere derogations from exclusive rights but as rights of the users of the protected works or other subject matter.[7] As the Court noted in *Funke Medien* and *Spiegel Online:*

> [a]lthough Article 5 of Directive 2001/29 is expressly entitled 'Exceptions and limitations', it should be noted that those exceptions or limitations do themselves confer rights on the users of works or of other subject matter.[8]

Although it is not yet entirely clear what the meaning of such a proclamation is, this is a first step toward the recognition of copyright exceptions as user rights—a matter that has been subject to a long-standing scholarly debate,[9] making the CJEU quotation cases equivalent to the Canadian *CCH* judgment,[10] which developed an understanding of copyright exceptions as user rights.

The quotation exception in the light of the CJEU case law has so far been discussed in a research paper by Christophe Geiger and Elena Izyumenko, where the authors offer insights on the constitutionalization of EU copyright law, focusing primarily on the intersection between copyright, exceptions, and fundamental rights.[11] There is also scholarship on the quotation exception before the trilogy of cases was issued.[12] The present contribution discusses the scope of permissible quotation under EU copyright, investigates the legal nature of this provision and, going beyond current scholarship, inquires the contextual framework and legal implications emerging from the judicial declaration of the relevant legal provision as a right of the users of protected works.

Permitted quotations under international and EU copyright law

Quotation is one of the fundamental acts of permissible use in copyright law. There is no copyright system on worldwide basis that does not allow quotation of protected works or other subject matter.[13] Indeed, quotation is one of the few so-called exceptions to copyright that are permissible as a matter of international copyright law. Article 10(1) of the Berne

7 Opinion of Advocate General Szpunar in *Funke Medien NRW GmbH v Federal Republic of Germany*, C-469/17, 25 October 2018, EU:C:2018:870; Opinion of Advocate General Szpunar in *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben*, C-476/17, 12 December 2018, EU:C:2018:1002; and Opinion of Advocate General Szpunar in *Spiegel Online GmbH v Volker Beck*, C-516/17, 10 January 2019, EU:C:2019:16.

8 *Funke Medien*, [70]; *Spiegel Online*, [54].

9 See, e.g. Pascale Chapderlaine, *Copyright User Rights: Contracts and the Erosion of Property* (Oxford: Oxford University Press, 2017); Niva Elkin-Koren, 'Copyright in a Digital Ecosystem: A User Rights Approach' in Ruth L. Okediji (ed.), *Copyright Law in an Age of Limitations and Exceptions* (New York: Cambridge University Press, 2017) 132.

10 *CCH Canadian Ltd v Law Society of Upper Canada*, 2004 SCC 14 (CCH) (Canada).

11 Christophe Geiger and Elena Izyumenko, 'The Constitutionalization of Intellectual Property Law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, but Still Some Way to Go!' Centre for International Intellectual Property Research Paper Series, University of Strasburg, Paper No 2019-09 (NB: Tanya Aplin and Lionel Bently, *Global Mandatory Fair Use: The Nature and Scope of the Right to Quote Copyright Works* (Cambridge: CUP, 2020).

12 See Lionel Bently and Tanya Aplin, 'Whatever Became of Global, Mandatory, Fair Use? A Case Study in Dysfunctional Pluralism' in Susy Frankel (ed.), *Is Intellectual Property Pluralism Functional?* (Cheltenham: Edward Elgar, 2019) 8; Jane Parkin, 'The Copyright Quotation Exception: *Not* Fair Use by Another Name' (2019) 19(1) *Oxford University Commonwealth Law Journal* 55.

13 This is because it is a mandatory provision of the Berne Convention and as such applies to all 174 contracting states. In addition, Article 10(1) of the Berne Convention has to be complied by TRIPS.

Convention allows Member States to introduce legal provisions allowing fair quotations of protected works. According to that provision,

> [i]t shall be permissible to make quotations from a work which has already been lawfully made available to the public, provided that their making is compatible with fair practice, and their extent does not exceed that justified by the purpose, including quotations from newspaper articles and periodicals in the form of press summaries.

Article 10(3) of the Berne Convention adds a further requirement, according to which:

> [w]here use is made of works in accordance with the preceding paragraphs of this Article, mention shall be made of the source, and of the name of the author if it appears thereon.

The rationale for permitting quotation of protected works rests primarily on freedom of expression as two of the central purposes for which permissible quotation can be carried out are criticism and review. The quotation exception available under international copyright law has been convincingly argued to introduce global mandatory fair use: 'The breadth of the obligatory exception is wide: as enacted in national law, it should not be limited by work, nor by type of act, nor by purpose'.[14]

At the EU level, quotation has been harmonized through Article 5(3)(d) of the Information Society Directive, according to which:

> Member States may provide for exceptions or limitations to the rights [of reproduction and communication to the public allowing] quotations for purposes such as criticism or review, provided that they relate to a work or other subject-matter which has already been lawfully made available to the public, that, unless this turns out to be impossible, the source, including the author's name, is indicated, and that their use is in accordance with fair practice, and to the extent required by the specific purpose.[15]

In line with the Berne Convention, the Directive offers an indication of purposes for which permissible quotations can be made, requires that the source, including the author's name, is attributed, and stipulates that quoted materials must relate to a work that has been lawfully made available to the public. In addition, it is clarified that use of protected works is carried out in accordance with fair practice and within the specific purpose for which quotation was carried out.

Permitted quotations under CJEU case law

The CJEU offered interpretative guidance on Article 5(3)(d) in *Funke Medien*, *Pelham*, and *Spiegel Online*. It is discussed below.

14 Lionel Bently and Tanya Aplin, 'Whatever Became of Global, Mandatory, Fair Use? A Case Study in Dysfunctional Pluralism' in Susy Frankel (ed.), *Is Intellectual Property Pluralism Functional?* (Cheltenham: Edward Elgar, 2019) 8 (NB: Tanya Aplin and Lionel Bently, *Global Mandatory Fair Use: The Nature and Scope of the Right to Quote Copyright Works* (Cambridge: CUP, 2020).

15 Also see to this effect Recital 34 of the Information Society Directive 2001/29/EC which reads as follows:

> Member States should be given the option of providing for certain exceptions or limitations for cases such as educational and scientific purposes, for the benefit of public institutions such as libraries and archives, for purposes of news reporting, for quotations, for use by people with disabilities, for public security uses and for uses in administrative and judicial proceedings.

The purpose and character of the use

The concept of permissible quotations under EU copyright is broad, in that it can be carried out for any purpose; criticism and review are offered as indicative examples. Although it is to be assumed that this choice of words indicates that some critical engagement is necessary, a broad range of further purposes may be equally permissible, such as cross-referential use, advancement of knowledge, advertisement and so on. This enlarges the scope of the exception which is applicable in the context of any purpose that can be judicially deemed as acceptable. However, to be permitted, the quote should be confined to the particular purpose for which the use is carried out. This means that the exception is subject to a proportionality limit.

Clarity on the meaning of permissible quotation was offered in *Pelham*, which explained that, because the term 'quotation' is not defined in statutory sources, its meaning and scope has to be determined on the basis of its usual meaning in everyday language, whilst taking into consideration the broader context of the legislative framework of which it is part.[16] In this regard, 'quotation' includes

> the use, by a user other than the copyright holder, of a work or, more generally, of an extract from a work for the purposes of illustrating an assertion, of defending an opinion or of allowing an intellectual comparison between that work and the assertions of that user, since the user of a protected work wishing to rely on the quotation exception must therefore have the intention of entering into 'dialogue' with that work.[17]

Such a dialogue cannot be possible when the extract no longer remains identifiable, in which case it is not part of permissible 'quotation'. This remark was relevant in *Pelham* as the case concerned sampling and the extent to which it requires a license from the relevant phonogram producer, to be lawful. In that context, the Court held that permissible quotations do not include those where the dialogue between the original and the new work is interrupted. In this regard, *Pelham* is interesting as it can be read as having 'legitimized' the unlicensed mining of musical content (on the EU text and data mining exceptions, see the discussion in Chapters 13 and 15).

The concept of permissible 'quotation' was further clarified in *Funke Medien*, where the Court stated that Article 5(3)(d) outlines a merely illustrative list of permissible quotations as use of the words 'for purposes such as criticism or review' indicates.[18] This affirms the broad and perhaps flexible scope of the quotation exception under EU copyright law. In that case, Funke Medien, the owner of a German newspaper (*Westdeutsche Allgemeine Zeitung*) website, had requested competent authorities to provide access to classified, weekly military status reports but application was denied for public-security reasons. However, Funke Medien obtained a portion of the aforementioned documents through an undisclosed source and published individually scanned pages online. The Federal Republic of Germany brought proceedings, requesting the removal of the materials on grounds of copyright infringement. The German Republic's action for an injunction against Funke Medien was upheld by the Regional Court of Cologne and Funke Medien's appeal before the Higher Regional Court of Cologne was dismissed. In its appeal on a point of law, brought before the Federal Court of Justice, Funke Medien maintained its contention that the action for an injunction should

16 Ibid., [70].

17 Ibid., [71] (affirming the position of the AG); also see *Spiegel Online v Volker Beck*, Case C-516/17, 29 July 2019, ECLI:EU:C:2019:625 (Spiegel Online), [77]–[78].

18 *Funke Medien*, [43].

be dismissed. When discussing the copyright exception permitting reproductions by the press and quotations—available, respectively, under Articles 5(3)(c) and (d) of the Information Society Directive—the Court stressed that none of these provisions constitutes 'full harmonisation of the scope of the exceptions or limitations which it contains'.[19] The Court noted that criticism and review are merely indicative examples of purposes for which permissible quotations can be made. Although there is limited national case law on the quotation exception that could shed light on other purposes for which the permissible quotation can be carried out, the Court clarified in *Pelham* that further purposes include illustration of an assertion, defending an opinion or of allowing an intellectual comparison between that work and the assertions of that user.[20] Read together, *Pelham* and *Funke Medien* clarify that permissible quotations have a relatively broad scope in that the purpose for which they are carried out can be flexible in so far as it enables a dialogue between the original and the new work.

The understanding that the purposes of criticism and review are merely indicative examples of permissible use aligns with earlier national interpretations of the quotation exception. For instance, in the UK case *Pro Sieben Media*,[21] which concerned a current affairs program that copied a TV-show extract, the Court of Appeal of England and Wales observed that the phrase 'for the purpose of' does not mean that a subjective test should be used in order to assess whether a use is for the purpose of criticism and review; the intentions and motives of the user are not irrelevant but should be taken into consideration in assessing whether a dealing is 'fair' in relation to its purpose. In this regard, a liberal approach was taken in order to assess the appropriate scope of 'criticism or review'.

A liberal approach on the purposes for which quotation can take place allows certain secondary uses of works that 'transform' the original, in a fair use sense[22] (for a discussion of US fair use *vis-á-vis* the European approach, see Chapter 16). Such uses however are not permissible when they are as excessive as no longer depicting the original work and intellectual engagement with it. This could be read to enable certain kinds of uses that have been deemed 'transformative', hence fair, under the US fair use doctrine. Such uses could include, for instance, use of thumbnails to enable image search[23] or projecting snippets of works in search engines,[24] to the extent that the use in question aligns with all the conditions of permissible quotations.

In terms of the form that a quotation can take, *Spiegel Online* instructs that the concept of permissible 'quotation' under Article 5(3)(d) includes hyperlinks to files that can be

19 *Funke Medien*, [42].

20 Ibid., [71] (affirming the position of the Advocate General); also see *Spiegel Online v Volker Beck*, Case C-516/17, 29 July 2019, ECLI:EU:C:2019:625 (Spiegel Online), [77]–[78].

21 *Pro Sieben Media A.G. v Carlton U.K. Television and Another*, Court of Appeal (Civil Division), 17 December 1998 (UK); for a comment see: David Bradshaw, 'Copyright, Fair Dealing and the Mandy Allwood Case: The Court of Appeal Gets the Max out of a Multiple Pregnancy Opportunity' (1999) 19(5) *Entertainment Law Review* 125; Mark Haftke, 'Pro Sieben Media AG v Carlton UK Television Ltd [1999] 1 WLR 605 (CA)' (1999) 10(4) *Entertainment Law Review* 118; Jeremy Phillips, 'Fair Stealing and the Teddy Bears' Picnic' (1999) 10(3) *Entertainment Law Review* 57.

22 See, in general, Pierre N. Leval, 'Toward a Fair Use Standard' (1990) 103 *Harvard Law Review* 1105; Jeremy Kudon, 'Form over Function: Expanding the Transformative Use Test for Fair Use' (2000) 80 *Boston University Law Review* 579; Edward Lee, 'Technological Fair Use' (2010) 83 *Southern California Law Review* 797; John Tehranian, 'Whither Copyright? Transformative Use, Free Speech, and an Intermediate Liability Proposal' (2006) *Brigham Young University Law Review* 1201.

23 See, e.g. US cases *Kelly v Arriba Soft Corporation*, 336 F 3d 811 (9th Cir 2003); *Perfect 10 v Amazon.com*, 508 F 3d 1146, 15474.

24 See, e.g. *Authors Guild, Inc. v Google, Inc.*, 804 F.3d 202 (2d Cir. 2015); *Authors Guild, Inc. v Google, Inc.*, 578 U.S. 849 (2016).

downloaded independently online. In this regard, there is no requirement that the quoted work is inextricably integrated through insertions or reproductions in footnotes into the work or other subject matter citing it. The Court relied on the usual meaning of the term 'quotation' and upheld the position of the AG,[25] who deemed that the quotation exception requires a direct and close link between the quoted work and the defendant's reflections, enabling an intellectual comparison and dialogue between the two. He did note however that quotation cannot be as extensive as to come in conflict with the normal exploitation of the work or prejudice the legitimate interests of the rightholder, in contravention with the three-step test articulated in Article 5(5) of the Information Society Directive (for a discussion of the EU three-step test, see Chapter 17). The purpose specificity of the quotation exception is meant to ensure compliance with the three-step test.

The kind of copyright-protected work

The exception of Article 5(3)(d) of the Information Society Directive does not specify the kinds of work that can be subject to unauthorized quotation. By contrast, it clarifies that quotations should 'relate to a work or other subject-matter which has already been lawfully made available to the public'. This means that any kind of copyright-protected subject matter can be subject to copying for the purposes of quotation, including images, videos, and performances. The only limitation is that that subject matter should have previously been made lawfully available to the public. In that regard, the Court has noted in *Spiegel Online* that the use in question must be made in accordance with fair practice, to the extent required by the specific purpose, i.e. the use of the work should not be extended beyond the confines of what it necessary to achieve the informatory purpose of that particular quotation, and only if the quotation relates to a work which has already been lawfully made available to the public.[26] Although it was up to the national court in *Spiegel Online* to decide whether the content published by the politician on his website was lawfully made available to the online portal placing hyperlinks on it,[27] the case does affirm a wide scope on what qualifies as permissible quotation, despite the fact that there are numerous conditions that need to be met for the quotation exception to apply.

In *Spiegel Online,* where the CJEU had been called to assess the compatibility with EU law of an open-ended general copyright exception like the German 'free use', the Court held that

> the exception for quotations applies only if the quotation in question relates to a work which has already been lawfully made available to the public. That is the case where the work, in its specific form, was previously made available to the public with the rightholder's authorisation or in accordance with a non-contractual licence or statutory authorisation.

This clarifies that the exception has no scope of application on unpublished works. The nature of the original work impacts on the applicability of the exception.

25 Opinion of Advocate General Szpunar in *Spiegel Online v Volker Beck*, Case C-516/17, 10 January 2019, ECLI:EU:C:2019:16, [43]; for a comment see Jonathan Griffiths, 'European Union copyright law and the Charter of Fundamental Rights—Advocate General Szpunar's Opinions in (C-469/17) *Funke Medien*, (C-476/17) *Pelham GmbH* and (C-516/17) *Spiegel Online*' (2019) 20(1) *ERA Forum* 35.

26 *Spiegel Online*, [83].

27 *Spiegel Online*, [91].

The amount and substantiality of the portion taken

The amount and substantiality of the portion that was taken is an important parameter toward the application of the quotation exception. In *Pelham*, the Court held that unauthorized samples, however short, may infringe a phonogram producer's rights. The reason is that they are considered to be reproductions 'in part' of the original work. However, the CJEU remarked that:

> where a user, in exercising the freedom of the arts, takes a sound sample from a phonogram in order to use it, in a modified form unrecognisable to the ear, in a new work, […] such use does not constitute 'reproduction'.[28]

This means that when an extract is creatively used with a view to develop a new and distinct work it does not amount to an act of actionable copying.

The effect of the use upon the potential market

An important condition of the quotation exception is that permitted quotations should be in accordance with fair practice. This factors a test of fairness into the permissibility of the exception. Although not addressed at the CJEU level, national case law on the quotation exception has considered the degree to which an allegedly infringing use competes with the exploitation of the original work. This is primarily a matter of reflecting on the permissibility of a given use in the light of the three-step test of Article 5(5) of the Information Society Directive, and, in particular, the need to ensure that an activity does not come in conflict with a normal exploitation of the work. Even though a distinct condition on the permissibility of quotations, the fact that a work has been published is also important in terms of understanding whether a particular use would amount to an act of unfair engagement with the work.

The interpretation of the quotation exception by the CJEU allows a liberal approach that arguably aligns with an understanding of the quotation exception as an open-ended, fair-use fashioned norm.[29] This is for three main reasons. First, it is not limited by purpose. The purposes of criticism and review are only indicative examples of permissible use,[30] allowing courts the discretion to develop a broad perspective of what amounts to permissible quotation. Second, there is no limitation on the kind of work that can be quoted, e.g. literary or dramatic work, to the extent that the original work has been previously published. Finally, the exception is meant to be assessed from the perspective of fairness and as a result it introduces a degree of flexibility at the judicial level.

In this context, the Court's reasoning of fairness is incorporated in the analysis of the copyright balance, as reflected within copyright exceptions and limitations.

28 *Pelham*, [31].

29 See in this regard (by reference to Article 10 of the Berne Convention) Lionel Bently and Tanya Aplin, 'Whatever Became of Global, Mandatory, Fair Use? A Case Study in Dysfunctional Pluralism' in Susy Frankel (ed.), *Is Intellectual Property Pluralism Functional?* (Cheltenham: Edward Elgar, 2019) 8.

30 See, in general, Stavroula Karapapa, *Defences to Copyright Infringement* (Oxford: OUP, 2020); *Funke Medien*, [43].

The copyright balance: exclusive rights, exceptions and fundamental rights

Beyond the scope and meaning of the quotation exception under EU copyright, the CJEU also clarified the interplay between copyright and fundamental rights, crystallized in the so-called copyright balance. In *Funke Medien*, the Court ruled that

> freedom of information and freedom of the press, enshrined in Article 11 of the Charter of Fundamental Rights of the European Union, are not capable of justifying, beyond the exceptions or limitations provided for in Article 5(2) and (3) of Directive 2001/29, a derogation from the author's exclusive rights of reproduction and of communication to the public, referred to in Article 2(a) and Article 3(1) of that directive respectively.

The effect of this clarification is that defendants in cases of copyright infringement cannot rely directly on the relevant fundamental rights on which copyright exceptions are premised, e.g. freedom of speech or freedom of the press. The balancing act between copyright and fundamental rights is deemed to have taken place at the legislative stage: it is legislators who balance rights in conflict and develop the relevant copyright exceptions and limitations as express manifestations of balance between rights.[31]

The Court stressed that copyright exceptions and limitations available under Article 5 of the Information Society Directive are

> specifically intended […] to ensure a fair balance between, on the one hand, the rights and interests of rightholders […] and, on the other, the rights and interests of users of works or other subject matter.[32]

By reference to the exceptions allowing quotations and news reporting, it held that they

> are specifically aimed at favouring the exercise of the right to freedom of expression by the users of protected subject matter and to freedom of the press, which is of particular importance when protected as a fundamental right, over the interest of the author in being able to prevent the use of his or her work, whilst ensuring that the author has the right, in principle, to have his or her name indicated.[33]

This means that, according to the reasoning of the CJEU, copyright's internal balance between exclusive rights of copyright holders and freedom of speech is realized via copyright exceptions and limitations.[34]

This aligns with the position adopted by the AG. Having delivered opinions in all three cases (*Funke Medien*, *Pelham*, and *Spiegel Online*), AG Szpunar held in *Funke Medien* that

31 See also in this regard the Opinion of the Advocate General Saugmandsgaard Øe in *Frank Peterson v Google LLC et al.,* Joined Cases C-682/18 and C-683/18, 16 July 2020, ECLI:EU:C:2020:586, [238]:

> where the Court both delimits those rights and specifies the scope of the exceptions and limitations, it seeks to arrive at a *reasonable* interpretation which safeguards the purpose pursued by those different provisions and maintains the 'fair balance' which the EU legislature intended to establish in the directive between various fundamental rights and opposing interests.

32 *Funke Medien*, [70]; *Spiegel Online*, [54].

33 *Funke Medien*, [60], [73]; *Spiegel Online*, at [45], [57], [72]. Also see *Eva-Maria Painer v Standard VerlagsGmbH and Others*, Case C-145/10, ECLI:EU:C:2011:798, [135].

34 *Funke Medien*, [58], [70]; *Pelham*, [60]; *Spiegel Online*, [43], [54].

freedom of expression was paramount in defining the limits of the copyright protected materials at issue but could not serve as an external limit to the protection offered by copyright, complementing the list of exceptions and limitations available under Article 5 of the Directive.[35] He maintained this position in his opinions in *Pelham* and *Spiegel Online*, where he rejected the idea that freedom of expression could serve as an external limit to copyright protection and held that it would be for the legislature to decide on the introduction of additional exceptions or limitations in the Information Society Directive,[36] with open-ended defenses being deemed as detrimental to the objectives of harmonization.[37]

The Court affirmed that external application of freedom of speech is not necessary, despite the undisputed relevance of fundamental rights in shaping EU copyright law. For instance, in *Funke Medien* freedom of expression was instrumental both in shaping the subject-matter of copyright protection by excluding non-original works of a merely informative nature and by informing the content of exceptions for the purposes of quotation and news reporting, featuring in Articles 5(3)(d) and 5(3)(c) of the Information Society Directive, respectively.[38] In *Spiegel Online*, freedom of expression required interpreting the quotation exception in the context of hyperlinking, as a form of quotation of the protected work.[39] In *Pelham,* the Court interpreted the exclusive reproduction right and the quotation exception in the light of fundamental rights, holding that the quotation exception refers to uses that open a dialogue with the original work—an argument reflecting a Kantian understanding of copyright law.[40] In all three cases, the Court internalized the analysis of fundamental rights within the purpose and meaning of the copyright exception in a relatively liberal way,[41] being 'in clear opposition with the [European Court of Human Rights] case law that mandates a case-by-case approach'.[42]

This approach was also accompanied by discretion left to the Member States in defining the boundaries of permissible quotation and other copyright exceptions listed under Article 5 of the Information Society Directive. As the Court noted, unlike exclusive rights, such as reproduction and communication to the public, which have been subject to full EU harmonization, in the context of copyright exceptions and limitations, including the quotation exception, Member States enjoy 'significant discretion allowing them to strike a balance between the relevant interests'.[43]

35 Opinion of Advocate General Szpunar in *Funke Medien*, [38]–[41] and [70]–[71].

36 Opinion of Advocate General Szpunar in *Pelham*, [54], [77] and [98].

37 Opinion of Advocate General Szpunar in *Spiegel Online*, [63].

38 *Funke Medien*, [24], [71], [73]–[76].

39 *Spiegel Online*, [80].

40 See in this regard Abraham Drassinower, *What's Wrong With Copying?* (Cambridge, MA: HUP, 2015).

41 See in this regard Christophe Geiger and Elena Izyumenko, 'The Constitutionalization of Intellectual Property Law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, but Still Some Way to Go!' Centre for International Intellectual Property Research Paper Series, University of Strasburg, Paper No 2019-09, 11-13; also see Jonathan Griffiths, 'Constitutionalising or Harmonising? The Court of Justice, the Right to Property and European Copyright Law' (2013) 38 *European Law Review* 65.

42 See, e.g. *Ashby Donald and Others v France* [2013] ECHR 287; *Neij and Sunde Kolmisoppi v Sweden* (*The Pirate Bay*), no. 40397/12, 19 February 2013, CE:ECHR:2013:0219DEC004039712; also see Christophe Geiger and Elena Izyumenko, 'The Constitutionalization of Intellectual Property Law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, but Still Some Way to Go!' Centre for International Intellectual Property Research Paper Series, University of Strasburg, Paper No 2019-09, 26.

43 *Funke Medien*, [38], [42] – [43]; *Pelham*, [84]–[86]; *Spiegel Online*, [27] – [28].

A natural unfolding of the implications of the concept of the balance between copyright and fundamental rights as a balance between dual objectives[44] is that the CJEU affirmed the integral status of copyright exceptions and limitations as user rights. In order to be achieved, the copyright balance requires obtaining a just reward for the copyright holder whilst promoting the public interest. Holding copyright exceptions as user rights is an unprecedented declaration under EU copyright law and, although its substantive meaning has not yet been judicially discussed, it develops an unambiguous affirmation of the integral role of the public domain in copyright law.

The legal nature of the quotation exception

A ground-breaking insight on the legal nature of the exceptions and limitations premised on a freedom of expression rationale, such as the quotation exception, and also, more broadly, exceptions and limitations listed in Article 5 of the Information Society Directive is that these[45] In earlier cases, such as cases Case C-314/12 *Telekabel* and C-117/13 *Technische*[46], the Court developed some timid insights on the affirmation of copyright exceptions as user rights. *Telekabel*, concerned a website blocking injunction to stop online copyright infringement and the Court expressly recognized the action for customers of Internet service providers that were affected by website blocking. The Court ruled that

> in order to prevent the fundamental rights recognised by EU law from precluding the adoption of an injunction such as that at issue in the main proceedings, the national procedural rules *must provide* a possibility for internet users to assert their rights before the court once the implementing measures taken by the internet service provider are known.[47]

In *Technische Universität Darmstadt*, the Court held that Member States were free to authorize digitization of works available in the collections of publicly accessible libraries, without the consent of the copyright holders, by these libraries to the extent of making these works available on dedicated terminals. As the Court remarked,

> [s]uch a right of communication of works […] would risk being rendered largely meaningless, or indeed ineffective, if those establishments did not have an *ancillary right* to digitise the works in question.[48]

Earlier judgments of the Court also developed the understanding that copyright exceptions ought to be understood as user rights. For instance, in case C-145/10 *Painer*, a case concerning copyright subsistence in a portrait photograph, the Court advanced the idea that the quotation exception of Article 5(3)(d) of the Information Society Directive is intended to

44 See in this regard the commentary of Abraham Drassinower on the *CCH* case: Abraham Drassinower, Taking User Rights Seriously, in Michael Geist (ed.), *In the Public Interest: The Future of Canadian Copyright Law* (Toronto: Irwin Law, 2005) 462, 467.

45 *Funke Medien*, [70]; *Spiegel Online*, [54].

46 *Technische Universität Darmstadt v Eugen Ulmer KG*, Case C-117/13, ECLI:EU:C:2014:2196 ('Technische Universität Darmstadt').

47 *Telekabel*, [57].

48 *Technische Universität Darmstadt*, [43] (emphasis added).

strike a fair balance between the right to freedom of expression of users of a work or other protected subject matter and the reproduction right conferred on authors; that fair balance is struck by favoring the exercise of the users' right to freedom of expression over the interest of the author in being able to prevent the reproduction of extracts from his work which has already been lawfully made available to the public, whilst ensuring that the author has the right, in principle, to have his name indicated.[49] A similar approach was followed in case C-201/13 *Deckmyn* (see the discussion in Chapter 16)[50] The reference to fair balance in the aforementioned cases can be read as a timid affirmation of the equal weight of user rights against copyright's exclusivity.

It was not until *Funke Medien* and *Spiegel Online*, however, that the Court unequivocally declared that copyright exceptions are to be understood as rights of users. In particular, it held that 'although Article 5 of Directive 2001/29 is expressly entitled "Exceptions and limitations", it should be noted that those exceptions or limitations do themselves confer rights on the users of works or of other subject matter'.[51] This can be seen as a turning point in the jurisprudence of the CJEU and national courts,[52] echoing the position of the Canadian Supreme Court in the famous *CCH* decision where it was held that '[t]he exceptions to copyright infringement [are] perhaps more properly understood as users' rights....'.[53]

Before the CJEU quotation cases, the conceptualization of copyright exceptions and limitations as user rights was only sporadically recognized in the European Union (EU). In fact, it is only very few Member States that expressly declare certain copyright exceptions and limitations mandatory against contractual override, clarifying that restrictive licensing terms shall be declared null and void.[54] The UK, for instance, following its 2014 copyright reform, expressly stipulates in its Copyright, Designs, and Patents Act (with regard to the quotation defense) that

> [t]o the extent that a term of a contract purports to prevent or restrict the doing of any act which, by virtue of subsection (1ZA), would not infringe copyright, that term is unenforceable.[55]

49 *Painer*, [134]–[135].

50 *Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others*, Case C-201/13, ECLI:EU:C:2014:2132, [27].

51 *Funke Medien,* [70]; *Spiegel Online*, [54] (emphasis added).

52 *CCH* (Canada); upheld in two further Canadian cases: *SOCAN v Bell Canada SOCAN*, 2012 SCC 36; *Alberta (educ.) v Canadian Copyright Licensing Agency*, 2012 SCC 37.

Limited recognition of fair use as a user right took place in the United States in *Baterman v Mnemonics, Inc.* 79 F.3d 1532, 1542, n.22 (11th Cir. 1996):

> Although the traditional approach is to view 'fair use' as an affirmative defense, this writer, speaking only for himself, is of the opinion that it is better viewed as a right granted by the Copyright Act of 1976. Originally, as a judicial doctrine without any statutory basis, fair use was an infringement that was excused – this is presumably why it was treated as a defense. As a statutory doctrine, however, fair use is not an infringement. Thus, since the passage of the 1976 Act, fair use should no longer be considered an infringement to be excused; instead, it is logical to view fair use as a right.

Also see in this regard, *SunTrust Bank v Houghton Mifflin Co.,* 268 F.3d 1257 n.3 (11th Cir. 2001).

53 *CCH*, [12].

54 Belgium, Ireland, Portugal, and the United Kingdom.

55 s.30(5) CDPA.

Declaring exceptions imperative against contractual restriction has also become a matter of EU copyright law recently, with the Digital Single Market Directive[56] expressly recognizing some of the copyright exceptions it introduces as mandatory against contractual override.[57] This Directive also stipulates that the complaint and redress mechanisms that online content-sharing service providers will have to provide at the national level shall not prejudice 'the rights of users to have recourse to efficient judicial remedies',[58] affirming to some extent the existence of positive user rights. Before the Digital Single Market Directive, the relationship of copyright exceptions and limitations with contractual or technological overridability was subject to sporadic harmonization in the EU.[59]

Indeed, even though there may have been some attempts to address the relationship between exceptions and contract, national case law has so far been negative in affirming that exceptions qualify as positive rights of end users. National case law issued after the implementation of the Information Society Directive has been reluctant to recognize copyright exceptions as user rights, at least not in the form of actionable claims against the copyright holders. Relevant judgments were issued in the context of private copying where national courts clearly commented on the legal nature of the said exception to conclude that it merely functions as a defense against allegations for copyright infringement instead of a fully-fledged user right, in the form of actionable right to bring proceedings against the copyright holders.[60]

The idea that users have rights just as owners do and that user rights deserve the same respect as owners' rights finds support in scholarship. As a matter of fact, the concept of user rights has been debated in literature for many years, with various scholars arguing toward the affirmation that certain copyright exceptions, notably those premised on a fundamental rights underpinning, such as the quotation exception, should be acknowledged as rights

56 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, PE/51/2019/REV/1, OJ L 130, 17 May 2019 (Digital Single Market Directive).

57 Ibid., Article 7(1).

58 Ibid., Article 17(9).

59 For most copyright exceptions and limitations, e.g. those included in the Information Society Directive, the relationship between permitted uses and contract is not expressly settled. However, certain exceptions under EU copyright are compulsory against contractual override. See, in particular, the Digital Single Market Directive, Article 7(1), and the Directive on Permitted Uses for Disabled Individuals (Directive 2017/1564), Article 3(5).

In other jurisdictions, like Canada, however, some exceptions were found to qualify as user rights: see *CCH* (Canada); see in this regard Michael Geist, 'The Canadian Copyright Story: How Canada Improbably Became the World Leader on Users' Rights in Copyright Law' in Ruth L. Okediji (ed.), *Copyright Law in an Age of Limitations and Exceptions* (New York: Cambridge University Press, 2017) 169.

60 Indicatively see: *Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir*, Cour de Cassation, 19 June 2008, No 07-142777 (France); *Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir*, Paris Court of Appeal, 4 April 2007, *Gaz. Pal.* 18 July 2007 No 199, 23 (France); *Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir*, Cour de Cassation, 1st civil section, 28 February 2006, case No 549, Bull. 2006 I No 126, 115 (Mulholland Drive) (France); Supreme Court (Cour de cassation), no 07-18778, 27 November 2008 (Phil Collins) (France); *Fnac Paris v UFC Que Choisir et autres,* Court of Appeal Paris (Cour d'appel Paris), 20 June 2007 (Phil Collins) (France); *Mr. X and UFC Que Choisir v Warner Music France and FNAC Paris,* Paris District Court, 10 January 2006 (Phil Collins) (France); *L'ASBL Association Belge des Consomateurs Test Achats v La SA EMI Recorded Music Belgium et al*, Tribunal of First Instance of Brussels, 2004/46/A, 27 April 2004 (Belgium); *L'ASBL Association Belge des Consomateurs Test Achats v La SA EMI Recorded Music Belgium et al*, Brussels Court of Appeal, 9 September 2005, case 2004/AR/1649 (Belgium).

of the users.[61] This strand of literature would often invoke Wesley Hohfeld's theory on jural correlatives, according to which lawful users can have a claim against copyright holders when the various permissive rules have the status of rights.[62] Understanding copyright exceptions as user rights would have the implication that they are not merely deemed as exceptions to a rule, i.e. exclusive rights, hence not carried out by grace of the copyright holders. Although such defensive rules may not be transferrable or have correlative duties in a Hohfeldian sense, they still remain beyond the control of the copyright holders and are not deemed to be infringement by law.[63]

History too enables an understanding of user rights. Up to the early 20th century, there was no need to introduce user rights in copyright because of the comparatively few exclusive rights. As Vaver notes, '[u]sers thus had rights to do what owners had no right to stop them from doing; user rights began where owner rights stopped.'[64] It would be primarily copying that was protected as an exclusive right and, even in cases of literal copying, there was no infringement unless the original work was unfairly appropriated.

There are various ways in which user rights in copyright law can be understood: positive rights to bring proceedings, entitlements that cannot be overridden by contract, or claims attracting their normative force from the fundamental rights on which they are underpinned. It is not yet clear what is the particular meaning that the CJEU will afford to copyright exceptions as user rights and perhaps this will be subject to clarification in a new referral. However, the judicial recognition of copyright exceptions and limitations as user rights seems to be a first step toward acknowledging the importance of the user in copyright law and toward understanding defensive rules in copyright not as mere exceptions, i.e. negatively, but instead in a positive way, as rights of the users and hence integral to copyright law.

Conclusion

The quotation exception has a relatively broad scope under EU copyright law, as *Funke Medien*, *Pelham*, and *Spiegel Online* illustrate, in that it is not subject to limits by purpose, nor by kind of work, nor by type of act. Importantly, the quotation exception, with its fundamental rights underpinning, has offered a judicial opportunity of elaborating on the legal nature of copyright exceptions and limitations. Refusing the application of defensive rules beyond those listed in Article 5 of the Information Society Directive, such as the direct application of fundamental rights, the CJEU reiterated that copyright has internal mechanisms in place to achieve the balance between copyright and the exercise of fundamental freedoms. These mechanisms take the shape of copyright exceptions and limitations, which ultimately hold the status of rights of the

61 See, e.g. David Vaver, 'Copyright Defences as User Rights' (2013) 60(4) *Journal of the Copyright Society of the USA* 661; L. Ray Patterson and Stanley W. Lindberg, *The Nature of Copyright: A Law of User's Rights* (Athens: University of Georgia Press, 1991); Pascale Chapderlaine, *Copyright User Rights: Contracts and the Erosion of Property* (Oxford: Oxford University Press, 2017); Niva Elkin-Koren, 'Copyright in a Digital Ecosystem: A User Rights Approach' in Ruth L. Okediji (ed.), *Copyright Law in an Age of Limitations and Exceptions* (New York: Cambridge University Press, 2017) 132; Stavroula Karapapa, *Defences to Copyright Infringement* (Oxford: OUP, 2020).

62 Wesley N. Hohfeld, 'Some Fundamental Legal Conceptions as Applied in Judicial Reasoning' (1913) 23 *Yale Law Journal* 30–31; Wesley N. Hohfeld, 'Fundamental Legal Conceptions as Applied to Judicial Reasoning' (2017) 26 *Yale Law Journal* 710.

63 See in this regard David Vaver, 'Copyright Defences as User Rights' (2013) 60(4) *Journal of the Copyright Society of the USA* 661.

64 Ibid., 670.

users of protective works. Although the substantive meaning of the legal nature of exceptions as user rights has not yet been judicially addressed, this judicial affirmation develops an understanding of the centrality of the public domain in the EU and an evolution of our perception of defensive rules in EU copyright law, echoing a principle-based view on the theoretical justification underpinning copyright protection as a dialogue between authors and users.

References

Aplin, T. and Bently, L. *Global Mandatory Fair Use: The Nature and Scope of the Right to Quote Copyright Works* (Cambridge: CUP, 2020).

Bently, L. and Aplin, T. 'Whatever Became of Global, Mandatory, Fair Use? A Case Study in Dysfunctional Pluralism' in Susy Frankel (ed.), *Is Intellectual Property Pluralism Functional?* (Cheltenham: Edward Elgar, 2019) 8.

Bradshaw, D. 'Copyright, Fair Dealing and the Mandy Allwood Case: The Court of Appeal Gets the Max out of a Multiple Pregnancy Opportunity' (1999) 19(5) *Entertainment Law Review* 125.

Chapderlaine, P. *Copyright User Rights: Contracts and the Erosion of Property* (Oxford: Oxford University Press, 2017).

Drassinower, A. 'Taking User Rights Seriously' in Michael Geist (ed.), *In the Public Interest: The Future of Canadian Copyright Law* (Toronto: Irwin Law, 2005) 462.

Drassinower, A. *What's Wrong with Copying?* (Cambridge, MA: Harvard University Press, 2015).

Elkin-Koren, N. 'Copyright in a Digital Ecosystem: A User Rights Approach' in Ruth L. Okediji (ed.), *Copyright Law in an Age of Limitations and Exceptions* (New York: Cambridge University Press, 2017) 132.

Geiger, C. and Izyumenko, E. 'The Constitutionalization of Intellectual Property Law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, but Still Some Way to Go!' Centre for International Intellectual Property Research Paper Series, University of Strasburg, Paper No 2019-09.

Geist, M. 'The Canadian Copyright Story: How Canada Improbably Became the World Leader on Users' Rights in Copyright Law' in Ruth L. Okediji (ed.), *Copyright Law in an Age of Limitations and Exceptions* (New York: Cambridge University Press, 2017) 169.

Griffiths, J. 'Constitutionalising or Harmonising? The Court of Justice, the Right to Property and European Copyright Law' (2013) 38 *European Law Review* 65.

Griffiths, J. 'European Union Copyright Law and the Charter of Fundamental Rights—Advocate General Szpunar's Opinions in (C-469/17) *Funke Medien*, (C-476/17) *Pelham GmbH* and (C-516/17) *Spiegel Online*' (2019) 20(1) *ERA Forum* 35.

Haftke, M. 'Pro Sieben Media AG v Carlton UK Television Ltd [1999] 1 WLR 605 (CA)' (1999) 10(4) *Entertainment Law Review* 118.

Hohfeld, W. N. 'Fundamental Legal Conceptions as Applied to Judicial Reasoning' (2017) 26 *Yale Law Journal* 710.

Hohfeld, W. N. 'Some Fundamental Legal Conceptions as Applied in Judicial Reasoning' (1913) 23 *Yale Law Journal* 16.

Karapapa, S. *Defences to Copyright Infringement* (Oxford: OUP, 2020).

Kudon, J. 'Form over Function: Expanding the Transformative Use Test for Fair Use' (2000) 80 *Boston University Law Review* 579.

Lee, E. 'Technological Fair Use' (2010) 83 *Southern California Law Review* 797.

Leval, P. N. 'Toward a Fair Use Standard' (1990) 103 *Harvard Law Review* 1105.

Parkin, J. 'The Copyright Quotation Exception: *Not* Fair Use by Another Name' (2019) 19(1) *Oxford University Commonwealth Law Journal* 55.

Patterson, L. R. and Lindberg, S. N. *The Nature of Copyright: A Law of User's Rights* (Athens: University of Georgia Press, 1991).

Phillips, J. 'Fair Stealing and the Teddy Bears' Picnic' (1999) 10(3) *Entertainment Law Review* 57.

Tehranian, J. 'Whither Copyright? Transformative Use, Free Speech, and an Intermediate Liability Proposal' (2006) *Brigham Young University Law Review* 1201.

Vaver, D. 'Copyright Defences as User Rights' (2013) 60(4) *Journal of the Copyright Society of the USA* 661.

Case law

Ashby Donald and Others v France [2013] ECHR 287.
Authors Guild, Inc. v Google, Inc., 804 F.3d 202 (2d Cir. 2015); *Authors Guild, Inc. v Google, Inc.,* 578 U.S. 849 (2016).
Baterman v Mnemonics, Inc. 79 F.3d 1532, 1542, n.22 (11th Cir. 1996).
CCH Canadian Ltd v Law Society of Upper Canada, 2004 SCC 14.
Eva-Maria Painer v Standard VerlagsGmbH and Others, Case C-145/10, ECLI:EU:C:2011:798.
Fnac Paris v UFC Que Choisir et autres, Court of Appeal Paris (Cour d'appel Paris), 20 June 2007.
Funke Medien NRW GmbH v Federal Republic of Germany, C-469/17, Opinion of Advocate General Szpunar, 25 October 2018, EU:C:2018:870.
Funke Medien NRW GmbH v Federal Republic of Germany, C-469/17, 29 July 2019, ECLI:EU:C:2019:623.
Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others, Case C-201/13, ECLI:EU:C:2014:2132.
Kelly v Arriba Soft Corporation, 336 F 3d 811 (9th Cir 2003).
L'ASBL Association Belge des Consomateurs Test Achats v La SA EMI Recorded Music Belgium et al, Brussels Court of Appeal, 9 September 2005, case 2004/AR/1649.
Mr. X and UFC Que Choisir v Warner Music France and FNAC Paris, Paris District Court, 10 January 2006.
Music Belgium et al, Tribunal of First Instance of Brussels, 2004/46/A, 27 April 2004.
Neij and Sunde Kolmisoppi v Sweden (*The Pirate Bay*), no. 40397/12, 19 February 2013, CE:ECHR:2013:0219DEC004039712.
Pelham GmbH and Others v Ralf Hütter and Florian Schneider- Esleben, C-476/17, Opinion of Advocate General Szpunar, 12 December 2018, EU:C:2018:1002.
Pelham GmbH, Moses Pelham, Martin Haas v Ralf Hütter, Florian Schneider-Esleben, Case C-476/17, 29 July 2019, ECLI:EU:C:2019:624.
Perfect 10 v Amazon.com, 508 F 3d 1146, 15474.
Pro Sieben Media A.G. v Carlton U.K. Television and Another, Court of Appeal (Civil Division), 17 December 1998.
SOCAN v Bell Canada SOCAN, 2012 SCC 36; *Alberta (educ.) v Canadian Copyright Licensing Agency*, 2012 SCC 37.
Spiegel Online GmbH v Volker Beck, C-516/17, Opinion of Advocate General Szpunar, 10 January 2019, EU:C:2019:16.
Spiegel Online v Volker Beck, Case C-516/17, 29 July 2019, ECLI:EU:C:2019:625.
Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir, Cour de Cassation, 1st civil section, 28 February 2006, case No 549, Bull. 2006 I No 126, 115.
Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir, Paris Court of Appeal, 4 April 2007, *Gaz. Pal.* 18 July 2007 No 199, 23.
Studio Canal et al v S. Penguin and Union Federale des Consommateurs Que Choisir, Cour de Cassation, 19 June 2008, No 07-142777.
SunTrust Bank v Houghton Mifflin Co., 268 F.3d 1257 n.3 (11th Cir. 2001).
Technische Universität Darmstadt v Eugen Ulmer KG, Case C-117/13, ECLI:EU:C:2014:2196.
UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH, Wega Filmproduktionsgesellschaft mbH, Case C-314/12, ECLI:EU:C:2014:192.

13
EXCEPTIONS AS USERS' RIGHTS?

Maurizio Borghi

Abstract

The chapter explores possible ways of construing copyright exceptions as users' rights within the EU legal framework. After discussing some basic principles on the legal nature of exceptions, it focuses more specifically on EU law and the jurisprudence of the Court of Justice of the European Union (CJEU). The chapter shows that the CJEU has moved away from a strict interpretation of exceptions as "derogations" to general principles of copyright protection, toward a recognition of exceptions as bearing autonomous legal status. Indeed, in its recent jurisprudence, the Court has interpreted statutory exceptions and limitations both as independent sources of rights and as statements of fundamental rights recognized in the EU Charter. These include, most notably, freedom of expression and information. While the approach is potentially leading to a full recognition of users' rights, EU law is bound by the recognition of intellectual property as a fundamental right in the much controversial Article 17(2) of the EU Charter. The Court has repeatedly cautioned against an "absolutist" approach to this provision. Accordingly, the chapter argues that exceptions to copyright should be better understood as justified "control" of the use of property, rather than forms of "dispossession" in the public interest. Against this background, the chapter examines two central provisions of the recent DSM Copyright Directive, namely the prohibition of contractual override of exceptions and the provisions on use of out-of-commerce works by cultural institutions. It concludes by clarifying the conditions upon which these provisions can be construed as strong statements in favor of users' rights and, accordingly, achieve their intended effect of promoting certain free uses of copyright works.

Contents

Abstract 263
Introduction 264
Remarks on the legal nature of copyright exceptions 265
Rules and exceptions 265
Exceptions, scope limitations and users' rights 266
Construing users' rights in the EU copyright framework 267
From derogations to autonomous sources of rights 267
Expressions of fundamental rights 268
Fair balance and proportionality 269

Intellectual property as fundamental right 270
A "human" right? 270
Making sense of Article 17(2) of the EU Charter: not an absolute right 271
The effect of Article 17(2) on exceptions and limitations 273
Users' rights after the DSM Copyright Directive 274
The prohibition of contractual override of exceptions and limitations 274
New copyright exceptions: the case of out-of-commerce works 276
Conclusion 278
References 278
Case law 279

Introduction

The notion of balancing rights and interests of authors with broader public interest goals has long dominated the copyright discourse worldwide, at least since the advent of "the digital". The concept appeared probably for the first time in a legal text in the Preamble of the WIPO Copyright Treaty 1996. Initially employed as a guiding principle in the effort of *maintaining* a supposedly pre-existing balance endangered by the threat of the digital, it has then turned to denote a will of *achieving* a new and better balance to fit the demands of digital culture.[1] Accordingly, exceptions and limitations to copyright have rapidly gained momentum as a central element of this narrative. In this connection, one of the key questions is whether, and to what extent, copyright exceptions should and could be construed as fully fledged rights that can be claimed by the relevant beneficiaries and that place certain proactive obligations on copyright holders.[2] If construed as users' rights, exceptions would not only function as affirmative defenses against copyright infringement, but would impose certain duties not to interfere or to take actions that restrict users' entitlements over certain uses of works.[3]

There are at least three lines of arguments that have been advanced to support the construal of copyright exceptions as users' rights. From a theoretical point of view, it has been argued that conceptualizing users' entitlements as rights is both doctrinally possible and necessary to capture their fundamental (and not just ancillary) role in copyright law.[4] Moreover, in a socio-legal perspective, the notion of users' rights reflects the growing importance of users in the so-called copyright ecosystem, their increasingly active role in a participative culture which goes beyond passive consumption of content.[5] Finally, from a more instrumental, policy-making perspective, the language of users' rights has been seen as a useful

1 See R. Burrell & A. Coleman, *Copyright Exceptions: The Digital Impact* (Cambridge: Cambridge University Press, 2005), 187–191.

2 The term "users' rights" was introduced as early as in the 1990s by L.R. Patterson & S.W. Lindberg, *The Nature of Copyright: A Law of Users' Rights* (University of Georgia Press, 1991). For critical discussion see J. Ginsburg, "Authors and Users in Copyright", 45 *J. Copyright Soc'y U.S.A.*, 1 (1997).

3 G. Pessach, "Reverse Exclusion in Copyright Law – Reconfiguring Users' Rights" (2011), Available at SSRN: https://ssrn.com/abstract=1813082 (last accessed 28 July 2020), p. 4.

4 See, in particular, H. Breakey, "User's Rights and the Public Domain", *Intellectual Property Quarterly*, 3, 2010, 312, and A. Drassinower, "Taking User Rights Seriously" in M. Geist (ed.) *In the Public Interest: the Future of Canadian Copyright Law* (Toronto: Irwin Law, 2005), 462.

5 N. Elkin-Koren, "Copyright in the Digital Ecosystem, A User Rights Approach" in R. Okediji (ed.) *Copyright Law in an Age of Limitations and Exceptions* (Cambridge: Cambridge University Press, 2017), 133.

"rhetorical tool" to induce legislators and judiciary alike to interpret copyright exceptions liberally and generously.[6]

While users' rights have found traditionally little support in the EU copyright harmonization agenda, recent developments at both judicial and legislative level are indicative of a change of attitude. The chapter explores a possible way of construing exceptions as users' rights within the EU copyright framework. It proceeds in four steps: first, it presents some basic general principles to define the legal nature of so-called exceptions to copyright. Then it focuses more specifically on EU law and the jurisprudence of the Court of Justice of the European Union (CJEU), before addressing critically the balance of fundamental rights under the EU Charter.[7] Finally, it considers two significant statements in support of a users' right approach in the recent Directive on Copyright in the Digital Single Market (DSM Copyright Directive), namely the exception for use of out-of-commerce works[8] and the provision that makes certain exceptions non overridable by contract.[9]

Remarks on the legal nature of copyright exceptions

Rules and exceptions

As a general consideration, the definition of an exception in any legal system presupposes a situation where what is "excepted" would otherwise fall within the scope of the rule. Exceptions are needed when the rule is defined in such a way as to include something that the legislator wishes instead to exclude. Accordingly, the codification of exceptions in statutory law largely depends on the language used to define the rule in the first place or – more precisely – on the level of generality at which the rule is set forth in the legislation. This in turn depends not only on the discretion of the legislator, but also on objective factors such as the limits imposed by natural language and legal concepts, as well as the need to express norms in a clear and comprehensible way.[10]

For example,[11] in an imaginary copyright system where the basic rule is defined as "authors have the exclusive right to reproduce a substantial part of their work", there would be little need to codify an exception whereby "it is however permitted to reproduce insubstantial parts of it". The specification that insubstantial reproduction does not amount to infringement is strictly necessary, if at all, only in a copyright system where the rule is expressed at a higher level of generality – for instance, as "authors have the exclusive right to reproduce their works". Even so, there would still be some hesitation about calling insubstantial reproduction an "exception", that is to say something that, as a rule, would fall within the scope of copyright. Regardless of the language used by the legislator, insubstantial reproduction is an act that is excluded *ad initio* from the scope of author's exclusive rights and is therefore better characterized as a "scope limitation" rather than an exception properly

6 R. Burrell & A. Coleman, *Copyright Exceptions: The Digital Impact*.

7 Charter of Fundamental Rights of the European Union, Charter of Fundamental Rights of the European Union OJ C 326, 26.10.2012, pp. 391–407.

8 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125, Article 8.

9 Ibid., Art. 7(1).

10 See F. Schauer, "Exceptions", *University of Chicago Law Review*, 58(3), 1991, 871.

11 The argument presented here builds on A. Drassinower, "Exceptions Properly So-Called" in Y. Gendreau & A. Drassinower (eds.) *Langues et Droit d'Auteur / Language and copyright* (Bruylant/Carswell, 2010), 205.

so-called.[12] Yet the scope of the right can be defined with greater specificity; for example, a legislator could say: "authors have the exclusive right to reproduce a substantial part of their work *for purposes other than criticism or review*." Does this imply that reproduction for purposes of criticism or review is not a mere derogation from the rule but an integral part to the definition of the scope of the right? This is in fact the view that the Canadian Supreme Court took in its well-known endorsement of users' rights in copyright law:

> Procedurally, a defendant is required to prove that his or her dealing with a work has been fair; however, the fair dealing exception is perhaps more properly understood as an integral part of the *Copyright Act* than simply a defence. Any act falling within the fair dealing exception will not be an infringement of copyright. The fair dealing exception, like other exceptions in the *Copyright Act,* is a user's right. In order to maintain the proper balance between the rights of a copyright owner and users' interests, it must not be interpreted restrictively.[13]

In the reasoning of the Court, fair dealing is an "integral part" of copyright law in the sense that it is part of the very definition of the scope of author's exclusive rights. To reflect this function and role in the copyright system, it must be construed as a right in turn, namely a users' right which is balanced against the rights of the copyright owner.

Exceptions, scope limitations and users' rights

Despite the above, not all "exceptions" are equally integral to the definition of rights, so that their classification under the rubric of "exceptions" or "scope limitations" is entirely dependent on the level of generality chosen by the legislator to define the right in question. To build on the example made in the previous section, the definition of the author's right can improve in specificity by adding, for instance: "*…or for purpose other than preservation by publicly accessible libraries*". However, the level of specificity of the rule cannot be increased indefinitely, and not just for practical reasons of clarity of the law. Reproduction for preservation by public libraries reflects interests such as access to culture, education and knowledge. Although closely related to copyright, those interests are *distinct and different* from those that define the scope of authorial entitlements. Reproduction for the purpose of preserving cultural heritage does not contribute to the definition of author's rights in the same way as reproduction for criticism or review does. Rather, it invites to reflect on the encounter of author's rights with other juridical interests.[14]

To be sure, a clear dividing line between "integral" and "external" exceptions cannot be drawn, as most (if not all) known statutory exceptions are, to a various extent and degree, *both* limitations that define the scope of copyright *and* expressions of interests belonging to

12 Ibid., p. 217. On the distinction between scope limitations and exceptions, see also S. Karapapa, *Defences to Copyright Infringement* (Oxford: Oxford University Press, 2020), 18–23.

13 *CCH Canadian Ltd. v. Law Society of Upper Canada* [2004] SCC 13, par. 48. The Court went on to cite approvingly Professor Vaver's statement that "User rights are not just loopholes. Both owner rights and user rights should therefore be given the fair and balanced reading that befits remedial legislation" [D. Vaver, *Copyright Law* (Toronto: Irwin Law, 2000), 171]. For a thorough discussion of the implications see A. Drassinower, "Taking User Rights Seriously", p. 462. See also M. Geist, "The Canadian Copyright Story: How Canada Improbably Became the World Leader on Users' Rights in Copyright Law" in R. Okediji (ed.), *Copyright Law in an Age of Exceptions and Limitations* (Cambridge: Cambridge University Press, 2017), 169–205.

14 A. Drassinower, "Exceptions Properly So-Called", pp. 221–222.

different juridical orders.[15] While the Canadian Supreme Court based its argument on the assumption that the first of these two elements has logical priority (namely: that fair dealing is *primarily* a scope limitation), this is by no means the only possible way to construe copyright exceptions as users' rights. Entitlements to certain permitted uses can equally be construed as "rights" on the ground of the superior interests that they represent. The argument in this case would be not that the act in question is beyond the scope of authorial entitlements, but that it is, so to speak, *above* them.

Construing users' rights in the EU copyright framework

The approach taken by EU legislation and jurisprudence *vis-à-vis* users' rights reflects the twofold character of exceptions, i.e. as internal scope limitations and as expression of other juridical interests.

From derogations to autonomous sources of rights

Until recently, CJEU jurisprudence has almost consistently interpreted exceptions as "derogations" to the general principles established by secondary legislation on copyright and related rights, and as such commanding "strict" interpretation.[16] In this connection, the Court has limited itself to applying mechanically a principle established in settled case law of other areas of EU law, without engaging in specific considerations about the purpose and nature of copyright exceptions.

However, in *Padawan*, a case on the private copying exception, a different approach began to emerge. The Court took the view that, by purchasing media equipment on which a levy fee has been charged, private users are "rightly presumed" to take full advantage of all functionalities of such equipment, including making copies for private use.[17] While not explicitly endorsing a "users' right" argument, the Court's reasoning may be seen as approximating the compensated private copying exception to a fully fledged right, in that the purchase of levied media equipment creates a presumption that a right to make private copies is actually vested in the purchaser.[18] That this was not just a momentary flirtation with the idea of users' rights is confirmed by the language used by the Court in subsequent rulings on copyright exceptions. In *Technische Universität Darmstadt* (also discussed in Chapter 12), the Court explicitly referred to beneficiaries of exceptions for libraries and educational establishments as having "rights" pursuant to those exceptions.[19] The language was then upheld and clarified with the exact same words in *Funke Medien* and *Spiegel Online* (see also the discussion in Chapter 12), where the Court observed:

> although article 5 of Directive 2001/29 is expressly entitled "Exceptions and limitations", it should be noted that those exceptions or limitations do themselves confer rights on the users of works or of other subject matter. […] In addition, that article is specifically intended […] to ensure a fair balance between, on the one hand, the rights

15 For a taxonomy of rights and interests in EU copyright exceptions, see J. Pila and P. Torremans, *European Intellectual Property Law* (Oxford: Oxford University Press, 2016), 339.

16 *Infopaq International A/S v Danske Dagblades Forening*, Case C-5/08 (2009), par. 56, *ACI Adam v Stichting de Thuiskopie*, Case C-435/12 (2014), par. 22.

17 *Padawan SL v Sociedad General de Autores y Editores de Espana (SGAE)*, Case C-467/08 (2010), par. 55.

18 S. Karapapa, "*Padawan v SGAE*: A Right to Private Copy?" *European Intellectual Property Review*, 33(4), 2011, 252.

19 *Technische Universität Darmstadt v Eugen Ulmer*, Case C-117/13 [2014], par. 43–44.

> and interests of rightholders, which must themselves be given a broad interpretation […] and, on the other, the rights and interests of users of works or other subject matter.[20]

The line of argument inaugurated by *Padawan* consists in recognizing statutory exceptions not just as derogations from the rights of the copyright holders but as autonomous sources of rights in turn, which can in principle be balanced against rights of copyright holders on equal footing. While maintaining that rights of copyright holders must be given a "broad interpretation", the Court recognized that exceptions can equally confer rights on the beneficiaries of such exceptions.

Expressions of fundamental rights

Recent CJEU jurisprudence has increasingly affirmed the role of fundamental rights in shaping the scope of copyright protection (for a discussion of the interplay between copyright and other fundamental rights, see Chapter 2; for a specific focus on copyright exceptions, see Chapter 14). In addition to interpreting statutory exceptions as independent source of rights, the Court has acknowledged their role as bulwarks of fundamental rights of users.[21] Accordingly, the source of users' rights is not (only) secondary copyright legislation, but (also and more importantly) primary law on fundamental rights.

Earlier examples of this approach can be found the Advocate General (AG)'s opinions endorsed by the Court, according to which the main *raison d'être* of the private copying exception is the fact that extending copyright holders' control over the uses of their protected works made by lawful users would be an "unacceptable interference with the private life" of those persons.[22] "Lawful users" are here seen as vested with an entitlement, namely the making of copies for personal use, that derives from a fundamental right *as persons*.[23]

After the entry into force of the Lisbon Treaty and the legally binding EU Charter, the CJEU has increasingly relied upon the rights enshrined in the latter in the interpretation of copyright legislation, including exceptions and limitations. Additionally, while until the 2010s all referrals in this area of copyright law were limited to two exceptions, namely those for temporary reproduction and for private copying (mainly in relation to fair compensation), a broader range of exceptions have attracted judicial scrutiny in the last decade. These include parody[24] (see the discussion in Chapter 16), quotation[25] (see the discussion

20 *Funke Medien v Bundesrepublik Deutschland*, Case C-469/17 [2019], par. 70, and *Spiegel Online v Volker Beck*, Case C-516/17 [2019], par. 54. For a thorough analysis see C. Geiger & E. Izyumenko, "The Constitutionalisation of Intellectual Property Law in the EU and the *Funke Medien*, *Pelham* and *Spiegel Online* Decisions of the CJEU: Progress, But Still Some Way to Go!" *International Review of Intellectual Property and Competition Law (IIC)*, 51(3), 2020, 282.

21 E. Rosati, *Copyright and the Court of Justice of the European Union* (Oxford: Oxford University Press, 2019), 57.

22 Opinion of the Advocate General Szpunar in *EGEDA v Administracion del Estado*, Case C-470/14, par. AG15, and *VCAST Limited v RTI SpA*, Case C-265/16, par. AG61.

23 "Respect for private and family life" is recognized in the European Convention on Human Rights, Art. 8, and in the Charter of Fundamental Rights of the European Union, Art. 7.

24 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19, Art. 5(3)(k), *Deckmyn v Vandersteen*, Case C-201/13 [2014].

25 Ibid., Art. 5(3)(d), *Eva-Maria Painer v Standard Verlags*, Case C-145/10 [2013], *Spiegel Online v Volker Beck*, Case C-516/17 [2019], *Pelham v Hütter*, Case C-476/17 [2019] and *Funke Medien v Bundesrepublik Deutschland*, Case C-469/17 [2019].

in Chapter 16), reporting of current events,[26], educational use,[27] library use,[28] public security,[29] as well as the exceptions to rights in computer programs[30] and databases.[31] Likewise, the Court has ruled on other general aspects such as the distinction between "limitations" and "exceptions"[32] and the discretion of Member States to introduce exceptions not provided for by EU law.[33] In most of these cases, the Court has referred to the Charter as a guiding framework to interpret EU copyright law and operate the required "fair balance" between competing rights and interests.

Fair balance and proportionality

The principle of "fair balance" is part of primary EU legislation on copyright and related rights.[34] Within this framework, the Court has progressively moved from an internal interpretation of the relevant legislation (directives) to a balancing between fundamental rights. On the side of the copyright holders, these include the rights to property,[35] which is frequently coupled with the right to an effective remedy.[36] Other authorial interests have occasionally played a role, for example, the interest to ensure that the work is not associated with a discriminatory message.[37] These rights have been balanced against users' rights primarily represented by privacy[38] and data protection[39] and, in relation to exceptions, freedom of expression and/or information.[40] Other rights have also been addressed by the Court in relation

26 Ibid., Art. 5(3)(c), *Spiegel Online v Volker Beck*, Case C-516/17 [2019] and *Funke Medien v Bundesrepublik Deutschland*, Case C-469/17 [2019].

27 Ibid., Art. 5(3)(a), *Land Nordrhein-Westfalen v Renckhoff*, Case C-161/17 [2018].

28 Ibid., Art. 5(3)(n), *Technische Universität Darmstadt v Eugen Ulmer*, Case C-117/13 [2014].

29 Ibid., Art. 5(3)(e), *Eva-Maria Painer v Standard Verlags*, Case C-145/10 [2013].

30 Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version), OJ L 111, 5.5.2009, pp. 16–22, Art. 5 and 6, *SAS Institute v World Programming*, Case C-406/10 [2012] and *Ranks and Vasiļevičs v Finanšu un ekonomisko noziegumu izmeklēšanas prokoratūra*, Case C-166/15 [2016].

31 Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, OJ L 77, 27.3.1996, pp. 20–28, Art. 6 and 8, *Ryanair v PR Aviation*, Case C-30/14 [2015].

32 *VG Wort v Kyocera*, Joined Cases C-457/11 and C-460/11 [2013]. On the inconsistencies in the Court's argument in this case, see J. Pila & P. Torremans, *European Intellectual Property Law*, pp. 342–343.

33 *Soulier and Doke v Premier Ministre*, Case C-301/15 [2016] and *Funke Medien v Bundesrepublik Deutschland*, Case C-469/17 [2019].

34 Directive 2001/29/EC, Rec. 31. On the application of the "fair balance" principle, see C. Sganga, "A Decade of Fair Balance Doctrine, and How to Fix It: Copyright versus Fundamental Rights before the CJEU from *Promusicae* to *Funke Medien*, *Pelham* and *Spiegel Online*", *European Intellectual Property Review*, 41(11), 2019, 683 and E. Rosati, *Copyright and the Court of Justice of the European Union*, pp. 52–54.

35 Charter of Fundamental Rights of the European Union, Art. 17(2).

36 Ibid., Art. 47.

37 Ibid., Art. 21(1) "Non-discrimination". See *Deckmyn v Vandersteen*, Case C-201/13 [2014], par. 30–31.

38 Ibid., Art. 7 "Protection for private and family life". See *Bastei Lübbe GmbH v Strotzer*, Case C-149/17 (2018), par. 48–49.

39 Ibid., Art. 8 "Protection of personal data". See *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)*, Case C-70/10 (2011), par. 50 and *SABAM v Netlog*, Case C-360/10 (2012), par. 48.

40 Ibid., Art. 11. See also Directive 2001/29/EC on Copyright in the Information Society, Rec. 3: "harmonisation […] relates to compliance with the fundamental principles of law and especially of property, including intellectual property, and freedom of expression and the public interest." See *Land Nordrhein-Westfalen v Renckhoff*, Case C-161/17 [2018], par. 41; *Deckmyn v Vandersteen*, Case C-201/13 [2014], par. 25; *Spiegel Online v Volker Beck*, Case C-516/17 [2019], par. 42.

to specific exceptions, such as the right of education.[41] However, a range of fundamental rights can be in principle part of the assessment, such as the right of freedom of the arts.[42]

As seen earlier, copyright exceptions represent either internal limitations of author's rights or an expression of heterogenous rights and interests of users – or both. As far as the EU system of exceptions is concerned, for example, it may be argued that the exception for temporary, technology-dictated reproductions is better conceptualized as an internal limitation of the reproduction right rather than a fully fledged exception to that right.[43] Other exceptions incorporate rights that are heterogenous to copyright, to a greater or lesser degree. In this case, balancing requires an assessment of the impairment to which each of the rights is subject through the exercise of the other right. Such exercise is led by a principle of proportionality, whereby the right that, in the specific circumstances, suffers proportionally less impairment should give way to the other.[44] When interpreting the scope of application of copyright exceptions, proportionality takes on the meaning of an assessment, on balance, of the impairment of the copyright owner's property right *by effect* of the exercise of the users' freedom of expression, vis-à-vis the reciprocal impairment suffered by the users' rights *by effect* of the exercise of the property right of the owner.

Proportionality is a principle that applies in every copyright system, as long as balancing of rights is concerned. The distinctive feature of EU copyright law is that any assessment of reciprocal impairment of rights is bound by the statutory definition of intellectual property protection as a fundamental right, namely in principle a right of the same category (if not the same stature) of freedom of expression, information, education and other individual liberties protected as human rights. Accordingly, any "balance of rights" under EU copyright law must set out from a definition of the nature and scope of intellectual property as a fundamental right.

Intellectual property as fundamental right

A "human" right?

The elevation of intellectual property to the status of fundamental right is the end result of a long process which started in the post-World War II with the inclusion of "protection of the [author's] moral and material interests" in the Universal Declaration of Human Rights of 1948,[45] a principle subsequently reiterated in the International Covenant on Economic, Social and Cultural Rights of 1976.[46] Significantly, both the Declaration and the Covenant refer to protection of *interests*, not "rights". Indeed, in these earlier formulations, authors of scientific, literary, or artistic productions are not vested with rights (let alone property rights) *in* their creations, but with a more general entitlement in having moral and material interests

41 *Land Nordrhein-Westfalen v Renckhoff*, Case C-161/17 [2018], par. 43.

42 EU Charter, Art. 13. See Opinion of the AG Øe in *Peterson v YouTube and Elsevier v Cyando*, Joined Cases C-682/18 and C-683/18, par. 241. For a comprehensive assessment of fundamental rights in relation to exceptions, see J. Pila and P. Torremans, *European Intellectual Property Law*, p. 339.

43 Directive 2001/29/EC, Art. 5(1). In the same sense, see S. Karapapa, *Defences to Copyright Infringement*, pp. 113–116.

44 A. Drassinower, "Exceptions Property So-called", p. 235, with reference to EU copyright exceptions, see also J. Pila & P. Torremans, *European Intellectual Property Law*, pp. 341–342.

45 Universal Declaration of Human Rights, Article 27(2).

46 International Covenant on Economic, Social and Cultural Rights, Article 15(c). See generally P. Torremans (ed.), *Intellectual Property and Human Rights* (Alphen aan den Rijn: Kluwer Law, 2008).

in those creations "protected". Nothing is said on the legal definition of those interests and on how such protection should take effect. More importantly, the provisions in both documents apply to "everyone" who is an "author", suggesting that interests belonging to subjects other than human beings, such as corporate entities, should not be eligible for such fundamental level of protection.[47]

These limitations to the scope of rights under international human rights law did not inhibit the progressive expansion of the language of "copyright as human right" at both policy and judicial level.[48] This expansion was in turn paralleled by an increasing weakly-reasoned attribution of "human rights" to corporations and legal persons, in general, a tendency that emerged originally in US jurisprudence and is now reflected in a number of provisions of the EU Charter.[49] In this connection, the elevation of intellectual property *as such* to the status of fundamental right, which can certainly be described most pertinently as a successful history of lobbying from intellectual property industries,[50] culminated with the insertion of the notoriously elusive second paragraph of Article 17 ("Right to property") in the EU Charter, which reads "intellectual property shall be protected".[51]

Making sense of Article 17(2) of the EU Charter: not an absolute right

Article 17(2) of the EU Charter is part of the "right to property" established by Article 17. Its interpretation should be based on its predecessor, namely Article 1 of the Protocol to the European Convention on Human Rights (ECHR) and the related jurisprudence of the European Court of Human Rights (ECtHR).[52] Moreover, as acknowledged by the Court of Justice, the interpretation of fundamental rights

> draws inspiration from the constitutional traditions common to the Member States and from the guidelines supplied by international treaties for the protection of human rights on which the Member States have collaborated or to which they are signatories.[53]

This suggests that the norm must also be read in light of the provisions laid down in the Declaration and the Covenant on the protection of "moral and material interests" of authors.[54]

47 As convincingly argued by P.K. Yu, "Challenge to the Development of a Human Rights Framework for Intellectual Property" in P. Torremans (ed.) *Intellectual Property and Human Rights*, p. 77. See also G. Ghidini, *Rethinking Intellectual Property: Balancing Conflicts of Interest in the Constitutional Paradigm* (Cheltenham: Edward Elgar Publishing, 2018). According to Ghidini, "when vested in firms, [fundamental rights] should systemically be ascribed to the sphere of freedom of enterprise" (Ibid., p. 13).

48 P. Torremans, "Copyright (and Other Intellectual Property Rights) as Human Right" in P. Torremans (ed.) *Intellectual Property and Human Rights*, 195.

49 M. Ricolfi, "La proprietà intellettuale e le libertà antagoniste" in F. Caggia & G. Resta (eds.) *I diritti fondamentali e il diritto rivate* (Roma: Roma Tre-Press, 2019), pp. 206–207.

50 P. Torremans, "Copyright (and Other Intellectual Property Rights) as Human Right", p. 201.

51 C. Geiger, "Intellectual Property Shall be Protected!? – Article 17(2) of the Charter of Fundamental Rights of the European Union: a Mysterious Provision with an Unclear Scope", *European Intellectual Property Review*, 2009, 115.

52 M. Ricolfi, "Commento all'Art. 17 – La protezione della proprietà intellettuale" in R. Mastroianni et al. (eds.) *Carta dei diritti fondamentali dell'Unione Europea* (Giuffré, 2017), 337.

53 *Booker Aquaculture Limited (trading as Marine Harvest McConnell) v The Scottish Ministers* Joined Cases C-20/00 and C-64/00.

54 M. Ricolfi, "Commento all'Art. 17", pp. 341–341. See also C. Geiger, "The Constitutional Dimension of Intellectual Property" in P. Torremans (ed.) *Intellectual Property and Human Rights*, p. 101.

The two key components of the right to property, as enshrined in the EU Charter and in the more detailed provision of the Protocol to the ECHR, are the general prohibition of dispossession, subject to the exception of "public interest", and the right of the State to control that the use of property is made "in accordance with the general interest". Both components, namely "dispossession" and "control", are balanced against the public interest, but in a different way: dispossession cannot occur *unless* a superior justification of public interest intervenes, while control of use is a default State's prerogative *insofar as* it is necessary to pursue the general interest.

When it comes to intellectual property, the distinction between dispossession and control is crucial to determine whether a statutory or judicial limitation to intellectual property is an interference with the "peaceful enjoyment"[55] of such form of property and, if so, if it does constitute an unnecessary and unjustified control of its use or, worst, a dispossession.

While intellectual property rights constitute a form of "possession" under EU law,[56] the question of what amounts to "deprivation of possession" in relation to copyright is far from undisputed. For instance, in *Luksan* the Court found that national legislation excluding the principal director of a film from the exercise of certain exclusive rights and remuneration rights provided for by the *acquis* deprives the film director from their possession of lawfully acquired intellectual property rights.[57] In contrast, it may be argued that the exhaustion of rights in the EU after the first sale in one Member State cannot be regarded as a "deprivation of possession" of such rights.[58] In one of the first mentions of Article 17(2) in a copyright case, *Scarlet Extended v SABAM* (2011), the Court made a straightforward statement that has been since reiterated on various occasions:

> there is *nothing whatsoever* in the wording of Article 17(2) of the Charter or in the court's case law to suggest that the intellectual property rights enshrined in that article are inviolable and must for that reason be protected as *absolute rights*.[59]

The Court has since strictly adhered to a non-absolutist reading of Article 17(2) in various ways. For example, in *Pari Pharma* it rejected the claimant's argument that public disclosure of data from clinical dossiers under the transparency policy of the European Medicines Agency (EMA) violates Article 17(2), since those data form part of the claimant's trade secrets protected as intellectual property by Article 39(2) of the TRIPS Agreement.[60] While in this case the claimant failed to show that the information in question was a protectable confidential information, the Court confirmed that the EMA has the right to redact dossiers according to EU transparency rules without having to consult the applicant to prevent disclosure of trade secrets. In *Cofemel* (on which see specifically the discussion in Chapter5),

55 Protocol No. 1 to the European Convention on Human Rights, Art. 1 ("Every natural or legal person is entitled to the peaceful enjoyment of his possessions").

56 Including, controversially, trademarks and even trademark applications (*Anheuser-Bush v Portugal*, 73049/01 [2005] ECHR 686, par. 78). See M. Ricolfi, "Trademarks and Human Rights" in P. Torremans (ed.) *Intellectual Property Law and Human Rights*, 4th ed. (Alphen aan den Rijn: Kluwer Law, 2015), 593.

57 *Luksan v Petrus van der Let*, Case C-277/10 (2012), par. 68–70.

58 P. Mysoor, "Exhaustion, Non-exhaustion and Implied Licence", *International Review of Intellectual Property and Competition Law (IIC)*, 49(6), 2018, 663, p. 656.

59 *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)*, Case C-70/10 (2011), par. 43 (emphasis added). The same principle has been reaffirmed in *SABAM v Netlog*, Case C-360/10 (2012), par. 41, in *UPC Telekabel*, Case C-314/12 (2014), par. 61 and, in relation to exceptions, in *Pelham*, Case C 476/17 (2019), par. 33. See also the Opinion of Advocate General Saugmandsgaard Øe in *Constantin Film v YouTube*, Case C-264/19 (2020), par. AG52.

60 *Pari Pharma GmbH v European Medicines Agency (EMA)*, T-235/15, ECLI:EU:T:2018:65.

the Court even espoused a minimalist reading of Article 17(2), which in the opinion of the Court would state little more than the fact that "subject matter constituting intellectual property qualifies for protection under EU law", without apparently any implication as to whether the EU legislator is bound to ensure the same level of protection to every qualifying subject matter.[61]

These cases instruct that protection of intellectual property can give way "by default" to other interests recognized by EU law, such as transparency in the public interest and autonomy of EU legislation. I argue that the same principle should apply, by analogy, to copyright exceptions and limitations.

The effect of Article 17(2) on exceptions and limitations

Article 17(2) cannot be interpreted as supporting, in general, a narrow construal of existing exceptions to intellectual property right.[62] Indeed, as seen before, the CJEU has never suggested this could be the case. In *Technische Universität Darmstadt*, for instance, the Court held that an exception does not cease to apply for the simple reason that the copyright holder offers a licensing agreement for the act covered by the exception.[63] This means that the exercise of an intellectual property right protected under Article 17(2) does not justify an interpretation that would deprive statutory exceptions of their effectiveness.

Based on what we have seen in the previous section about the distinction between "deprivation of possession" and "control of use", exceptions should be generally construed as forms of lawful control instead of dispossession in the public interest. This may have occured, for instance, when the scope of the private copying exception can be defined as a balance between two forms of "peaceful enjoyment" of possession: on the one side, the author's ownership of intellectual property rights *on the work*, and, on the other, the physical possession of the *copy* of the work by the person who has lawfully acquired it.[64] The author's right to own the work finds a limitation in the acquirer's legitimate expectation to enjoy the purchased copy to the full extent, which includes making back-up copies or format shift to make it playable on various devices. The CJEU decision in *Padawan* supports this approach.[65]

Accordingly, Article 17(2) should be read as an impediment to *significant and disproportionate* curtails of existing intellectual property rights, such as those caused, for instance, by *disproportionately broad* applications of existing exceptions by the legislature or judiciary of Member States, or the introduction of new exceptions by EU legislature which *disproportionately* curtail the rights or interests of the copyright owners. For example, the UK government in 2014 introduced a narrowly construed exception for private copying without any mechanism for compensating copyright holders.[66] When the law was challenged in court,

61 *Cofemel – Sociedade de Vestuário SA v G-Star Raw*, Case C-683/17 (2019), par. 38.

62 As convincingly argued in J. Griffith and L. McDonagh, "Fundamental Rights and European IP Law – The Case of Art 17(2) of the EU Charter" in C. Geiger (ed.) *Constructing European IP: Achievements and New Perspectives* (Cheltenham: Edward Elgar Publishing, 2012), 75.

63 *Technische Universität Darmstadt v Eugen Ulmer*, Case C-117/13 [2014], par. 32.

64 A similar balance defines the scope of other limitations as well, most notably the exhaustion doctrine. See P. Mezei, *Copyright Exhaustion. Law and Policy in the United States and the European Union* (Cambridge: Cambridge University Press, 2018), 158–160.

65 S. Karapapa, "*Padawan v SGAE*: A Right to Private Copy?" *European Intellectual Property Review*, 33(4), 2011, 252, p. 260.

66 Copyright and Rights in Performances (Personal Copies for Private Use) Regulations 2014/2361 (*repealed*). On the legislative history, see S. Karapapa, "A Copyright Exception for Private Copying in the United Kingdom", *European Intellectual Property Review*, 35(3), 2013, 129–137.

one of the arguments submitted by the claimants was that the provision constituted an "expropriation" under Art. 1 of Protocol 1 to the ECHR. Citing in support case law from the ECtHR on expropriation without compensation, the claimants submitted that "this curtails the discretion of the state to take expropriating decisions without very careful scrutiny by a reviewing court".[67] The national court quashed the law, primarily on the ground that the evidence taken into consideration by the government was insufficient to conclude that harm was so minimal to allow the exclusion of the obligation to fairly remunerate the copyright holders. While the court did not consider it necessary to refer the question to the CJEU, it could be reasonably assumed that EU law would preclude a non-compensated private copying exception. This may in fact be considered a disproportionate interference in the rights protected by Article 17(2).[68]

Users' rights after the DSM Copyright Directive

The DSM Copyright Directive has introduced certain provisions that represent, qualitatively more than quantitatively, a significant expansion of the scope of exceptions and limitations in EU copyright law. These include five new exceptions, two of which – cross-border teaching activities and preservation of cultural heritage – constitute in effect a revision of exceptions previously regulated by the Information Society Directive.[69] However, their implementation is now mandatory, and no longer left to discretion of Member States. More importantly, the availability of these exceptions, as well as of the brand-new exception for text and data mining for scientific purposes[70] (on this, see also the discussion in Chapter 15) cannot be restricted by contract, in the sense that contractual terms aiming at preventing the activities covered by these three exceptions "shall be unenforceable".[71]

Taken together, these provisions have the potential to promote a paradigm shift toward the recognition of fully fledged users' rights, at least in relation to certain permitted activities. The extent of this shift will depend on national transposition and, perhaps more importantly, on judicial interpretation by the CJEU. In view of addressing the conditions for an interpretation which is consistent with a users' rights approach, I will focus on two of the key provisions of the DSM Copyright Directive. These are the mentioned "umbrella provision" on prohibition of contractual override and the new provision on use of out-of-commerce works by cultural heritage institutions.

The prohibition of contractual override of exceptions and limitations

The scope of the "umbrella provision" on contractual override can only be determined on a case-by-case basis, taking into consideration the specific conditions of application of each

67 *R. (British Academy of Songwriters, Composers and Authors and others) v Secretary of State for Business, Innovation and Skills* [2015] Bus. L.R. 1435, par. 133.

68 See the Opinion of Advocate General Jääskinen in *Stichting de Thuiskopie v Opus Supplies Deutschland GmbH and others*, Case C-462/09, par. AG25 ("A Member State cannot allow private copying and impose the obligation of compensation on private individuals unless they establish systems that effectively ensure that the compensation is paid [or] the rightholders would be deprived of the protection afforded to them by art.17(2) of the Charter of Fundamental Rights.")

69 Directive 2019/790 on Copyright in the Digital Single Market, Art. 5 (expanding on Art. 5(3)(a) of Directive 2001/29/EC) and Art. 6.

70 Ibid., Art. 3.

71 Ibid., Art. 7(1).

exception. For example, while rightsholders cannot contractually exclude scientific text and data mining on their works and databases, they are still allowed to apply proportionate measures "to ensure the security and integrity of the networks and databases where the works or other subject matter are hosted".[72] At the same time, though, rightsholders "must ensure that the use of technological measures does not prevent the enjoyment of the exceptions and limitations provided for in this Directive".[73] Moreover, rightsholders have also some freedom to decide contractually what the contour of "lawful access" is, thereby determining *ex ante* who can benefit from the exception in the first place.[74] However, despite these potential limitations of its scope, the umbrella provision on contractual override represents a strong statement in favour of construing exceptions as users' rights, which shall orient the future jurisprudence on exceptions and limitations.

Prior to the entry into force of the DSM Copyright Directive, the only subject matter to which a similar prohibition applied were computer programs and databases.[75] The existing CJEU jurisprudence on these points, albeit limited to ancillary issues, is indicative of a cautious attitude toward restrictions on rightsholder's contractual freedom. As far as computer programs are concerned, the fact that back-up copying cannot be excluded by contract did not preclude a narrow interpretation of the exception, which left unaffected the rightsholder's right to control the resale of those copies.[76] Similarly, the provision against contractual override did not play any apparent role in the Court's construal of the exception for "observing, studying and testing the functioning of the programme".[77] More to the point, in *Ryanair v PR Aviation* the Court ruled that the provision that declares null and void contractual restrictions to the rights of lawful user of a database[78] does not apply when the database in question is protected by neither copyright nor the *sui generis* database right.[79] While the decision appears technically correct on a literal reading of the Database Directive, it opens a number of questions as to the actual effectiveness of norms that outlaw contractual restrictions to users' rights.[80]

For example, would the umbrella provision of the DSM Copyright Directive cease to apply when works or other subject matter fail to meet the requirements for copyright protection, or even when copyright expires? To be sure, any use of unprotected subject-matter does not require authorization in the first place.[81] However, in practice, the uses covered by the new exceptions, in particular, reproduction for text and data mining,[82] require access to large and complex datasets where it may not always be easy to single-out copyright protected

72 Ibid., Art. 3(3) and Rec. 16.

73 Ibid., Rec. 7.

74 On the notion of "lawful user" see T. Synodinou, "Lawfulness for Users in European Copyright Law: Acquis and Perspectives", *Journal of Intellectual Property, Information Technology and E-Commerce Law*, 10, 2019, 1.

75 Directive 2009/24/EC on the legal protection of computer programs (codified version), Art. 8(2) (declaring null and void any contractual provisions contrary to the exceptions for back-up copying, "observing, studying and testing" and decompilation) and Directive 96/9/EC on the legal protection of databases, Art. 15 (declaring null and void contractual restrictions to acts necessary to ensure access to the database by its "lawful user").

76 *Ranks and Vasiļevičs*, Case C-166/15.

77 *SAS Institute v World Programming*, Case C-406/10.

78 Directive 96/9/EC on the legal protection of databases, Art. 8 ("Rights and obligations of the lawful user").

79 *Ryanair v PR Aviation*, Case C-30/14 (2015).

80 It should be borne in mind that Art. 8 of the Database Directive gives to lawful users a fully fledged "right" to access the database's content (i.e. not just an exception to this effect). See M. Borghi & S. Karapapa, "Contractual Restrictions on Lawful Use of Information: Sole-source Databases Protected by the Back Door?" *European Intellectual Property Review*, 37(8), 2015, 505.

81 Directive 2019/790 on Copyright in the Digital Single Market, Rec. 9.

82 Ibid., Art. 3.

content. The person in control of such datasets may claim that no copyright or related rights subsist, in order to be at liberty to impose contractual restrictions to third parties' text and data mining or other acts permitted by statutory exceptions. Admittedly, under the *Ryanair v PR Aviation* decision, those restrictions would escape the provision of the DSM Copyright Directive (although they may still be null and void under contract law of Member States).[83]

A more sensible approach would be to give a strict interpretation to *Ryanair v PR Aviation*. Accordingly, the provision of the DSM Copyright Directive that outlaws contractual restrictions to certain activities covered by exceptions should be inapplicable only when the content is clearly *something else* than a copyright work or other subject matter. Therefore, for example, when a work is eligible for copyright protection but the terms of protection have expired, the person in control of such work or other subject matter (including database) should be equally subject to the provision, even though they have no actionable rights under copyright law. For example, a company in possession and control of a dataset of digitized books in public domain should not be able to rely on contract or technological measures to restrict text and data mining for research purposes.[84] The same should apply in case of datasets containing works excluded from copyright protection by operation of law, such as (in certain jurisdictions) case law or acts of public sector bodies.[85]

A strict interpretation of the decision in *Ryanair v PR Aviation* would facilitate construing reproduction for text and data mining as an autonomous users' right, whose exercise should prevail in principle over unilateral restrictions of all kind. This would ensure that the provision achieves its intended effect to "benefit the research community and, in so doing, support innovation".[86]

New copyright exceptions: the case of out-of-commerce works

Article 8 on the use of out-of-commerce works by cultural heritage institutions represents probably one of the broadest derogations to author's exclusive rights ever introduced by the EU legislator. The norm is a two-tier provision. First, where certain conditions are met, collective management organizations of Member States may license the use of out-of-commerce works on the basis of an extended collective licensing system.[87] Where no collective management organization fulfils the conditions to offer a license for a certain category of works, cultural heritage institutions may avail of an exception to make out-of-commerce works available to the public for non-commercial purposes.[88] This is so, to speak, a "backstop" exception which is only activated in the absence of a licensing mechanism.

Taken as a whole, the two-tier provision represents a major development in copyright law, both doctrinally and practically. From a practical perspective, it enables cultural institutions to engage in digitization projects on a much larger scale than before and in relation

83 See the case law discussed in M. Borghi & S. Karapapa, "Contractual Restrictions on Lawful Use of Information: Sole-source Databases Protected by the Back Door?", pp. 512–513.

84 For an examination of contractual restrictions to access to Google Books see M. Borghi & S. Karapapa, *Copyright and Mass Digitization* (Oxford: Oxford University Press, 2012), 105–110.

85 For instance, in Italy (Copyright Law 1941/633, Art. 5). See also Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information, OJ L 172, 26.6.2019.

86 Directive 2019/790 on Copyright in the Digital Single Market, Rec. 8.

87 Ibid., Art. 8(1).

88 Ibid., Art. 8(2) and (3). For a discussion of the provision see M. Brown, "Exploring Article 8 of the Copyright Directive: Hope for Cultural Heritage", *AIDA (Annali Italiani del Diritto d'Autore)*, 2020.

to every category of works and other subject matter.[89] Doctrinally, it introduces for the first time a principle whereby the exercise of exclusive rights can be restricted on the ground of "non-use", namely when the copyright owner does not (or no longer does) actively use her rights to commercially exploit her work. To paraphrase a famous quote, this is probably an obvious step for mankind, but a giant leap for copyright doctrine.[90]

In the context of this chapter, the question to be considered is whether the norm can be construed as a users' right, or whether its scope is severely limited by Article 17(2) of the Charter. The question is not only speculative, since the CJEU has already ruled against a similar law applied by a Member State in 2016.[91] The main reason for rejection in the *Soulier and Doke* case was because the French law on out-of-print books introduced an exception not provided for in Article 5 of the Information Society Directive, which, despite its optional character, is to be understood as an *exhaustive* catalogue of exceptions allowed to Member States. This reason for rejection is now overtaken by the entry into force of the new EU legislation. However, the Court's ruling and the AG opinion were also based on other considerations concerning the essence of the exclusive right of the author. In particular, it was found that the national law in question, by replacing the author's explicit consent with a kind of "presumption of consent", deprived authors of an essential element of their intellectual property rights.[92] The rights of authors are in fact "preventive in nature", while the French law turned the exclusive right into a *de facto* mere right of remuneration.[93]

These considerations are still valid and in principle applicable to Article 8 of the DSM Copyright Directive in both its two components, namely the collective extended license mechanism and the backstop exception. Indeed, there is no doubt that, in principle, Article 8 can constitute, if not an "expropriation", at least a severe restriction on the use of one's own intellectual property. I say "in principle" because, in point of fact, an author or a rightholder who is not active in the commercial exploitation of their work has demonstrably no concrete interests to protect. Moreover, the extinction of property rights for non-use in favor of third parties who make socially useful use of it is a principle recognized in traditional property law. In the field of intellectual property, non-use of a trade mark is a cause for revocation of rights.[94] While rules of this kind are so far alien to copyright law, their adoption must be justified by overarching principles, such as the need to promote education, access to culture and information.

Accordingly, an assessment of Article 8's conformity with EU fundamental rights requires a careful application of the principle of proportionality. It may be reasonable to conclude that the impairment suffered by copyright owners' property rights in works that are no longer commercially exploited by effect of the use made by cultural institutions be *proportionally lower* than the impairment suffered by the users' right of access to culture by effect of the preventive nature of rights in those works. Such an assessment would validate the intended purpose of Article 8 to provide cultural institutions with "a clear framework for the digitisation and dissemination of out-of-print works",[95] in order to foster their public interest mission.

89 Directive 2019/790 on Copyright in the Digital Single Market, Rec. 37. For a contextual discussion see M. Borghi & S. Karapapa, *Copyright and Mass Digitization*.

90 Ibid., pp. 1–5 ("Turning copyright on its head").

91 *Soulier and Doke v Premier Ministre*, Case C-301/15 [2016]. See French Decree 2013–182 on the digital exploitation of out-of-print 20th century books.

92 Ibid., par. 33 and Opinion of Advocate General Wathelet, par. AG38–39.

93 Ibid., par. 50.

94 Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark, OJ L 154, 16.6.2017, pp. 1–99, Art. 18.

95 Directive 2019/790 on Copyright in the Digital Single Market, Rec. 30.

Conclusion

This chapter has addressed some issues of analysis and interpretation of copyright exceptions as users' rights within the EU legal framework. It has shown how the CJEU has moved away from a strict interpretation of exceptions as "derogations" to general principles of copyright protection, recognizing their autonomous legal status. The twofold nature of copyright exceptions, as internal scope limitations and expressions of external juridical interests, is reflected in the way the Court has interpreted statutory exceptions, namely as independent sources of rights *and* as statements of fundamental rights recognized in the EU Charter. These include, most notably, freedom of expression and information. While the approach is potentially leading to a full recognition of users' rights, EU law finds a significant constraint in the fact that intellectual property is defined as a fundamental right too. However, in this respect, the Court has cautioned against an "absolutist" approach to protection of intellectual property. Accordingly, exceptions should be better understood as justified "control" of the use of property, rather than forms of "dispossession" in the public interest. Against this background, the chapter has finally examined two central provisions of the DSM Copyright Directive, with the aim of clarifying the conditions upon which they can achieve their intended effect of promoting certain free uses of copyright works.

Copyright exceptions have transformed from an ancillary subject at the periphery of the EU harmonization agenda into one that is central to the copyright system. Their full recognition as users' rights, equally constitutive to copyright law as authors' rights, require further engagement with the legal nature, purpose and scope of copyright. A task which, inevitably, will have to be taken on by the CJEU in the years to come.

References

Borghi, M. & S. Karapapa (2012) *Copyright and Mass Digitization*, Oxford: Oxford University Press.

Borghi, M. & S. Karapapa (2015) "Contractual Restrictions on Lawful Use of Information: Sole-Source Databases Protected by the Back Door?" *European Intellectual Property Review*, 37(8), 505.

Breakey, H. (2010) "User's Rights and the Public Domain" *Intellectual Property Quarterly*, 3, 312.

Brown, M. (2020) "Exploring Article 8 of the Copyright Directive: Hope for Cultural Heritage" *AIDA (Annali Italiani del Diritto d'Autore)*, XXVIII.

Burrell, R. & A. Coleman (2005) *Copyright Exceptions: The Digital Impact*, Cambridge: Cambridge University Press.

Drassinower, A. (2005) "Taking User Rights Seriously" in M. Geist (ed.) *In the Public Interest: the Future of Canadian Copyright Law*, Toronto: Irwin Law, 462.

Drassinower, A. (2010) "Exceptions Properly So-Called" in Y. Gendreau & A. Drassinower (eds.) *Langues et Droit d'Auteur / Language and Copyright*, Bruylant/Carswell, 205.

Elkin-Koren, N. (2017) "Copyright in the Digital Ecosystem, A User Rights Approach" in R. Okediji (ed.) *Copyright Law in an Age of Limitations and Exceptions*, Cambridge: Cambridge University Press.

Geiger, C. & E. Izyumenko (2020) "The Constitutionalisation of Intellectual Property Law in the EU and the *Funke Medien*, *Pelham* and *Spiegel Online* Decisions of the CJEU: Progress, But Still Some Way to Go!" *International Review of Intellectual Property and Competition Law (IIC)*, 51(3), 282.

Geiger, C. (2008) "The Constitutional Dimension of Intellectual Property" in P. Torremans (ed.) *Intellectual Property and Human Rights*, Alphen aan den Rijn: Kluwer Law.

Geiger, C. (2009) "Intellectual Property Shall be Protected!? – Article 17(2) of the Charter of Fundamental Rights of the European Union: a Mysterious Provision with an Unclear Scope" *European Intellectual Property Review*, 101–131.

Geist, M. (2017) "The Canadian Copyright Story: How Canada Improbably Became the World Leader on Users' Rights in Copyright Law" in R. Okediji (ed.), *Copyright Law in an Age of Exceptions and Limitations*, Cambridge: Cambridge University Press.

Ghidini, G. (2018) *Rethinking Intellectual Property: Balancing Conflicts of Interest in the Constitutional Paradigm*, Cheltenham: Edward Elgar Publishing.
Ginsburg, J. (1997) "Authors and Users in Copyright", 45 *J. Copyright Soc'y U.S.A.*, 1.
Griffith J. & L. McDonagh (2012) "Fundamental Rights and European IP Law – the case of Art 17(2) of the EU Charter" in C. Geiger (ed.) *Constructing European IP: Achievements and New Perspectives*, Cheltenham: Edward Elgar Publishing.
Karapapa, S. (2011) "*Padawan v SGAE*: A Right to Private Copy?" *European Intellectual Property Review*, 33(4), 252.
Karapapa, S. (2013) "A Copyright Exception for Private Copying in the United Kingdom", *European Intellectual Property Review*, 35(3), 129–137.
Karapapa, S. (2020) *Defences to Copyright Infringement*, Oxford: Oxford University Press.
Mezei, P. (2018) *Copyright Exhaustion. Law and Policy in the United States and the European Union*, Cambridge: Cambridge University Press.
Mysoor, P. (2018) "Exhaustion, Non-exhaustion and Implied Licence" *International Review of Intellectual Property and Competition Law (IIC)*, 49(6), 663.
Patterson, L.R. & S.W. Lindberg (1991) *The Nature of Copyright: A Law of Users' Rights*, University of Georgia Press.
Pessach, G. (2011) "Reverse Exclusion in Copyright Law – Reconfiguring Users' Rights", Available at SSRN: https://ssrn.com/abstract=1813082 (last accessed 28 July 2020).
Pila, J. & P. Torremans (2016) *European Intellectual Property Law*, Oxford: Oxford University Press
Ricolfi, M. (2015) "Trademarks and Human Rights" in P. Torremans (ed.) *Intellectual Property Law and Human Rights*, 4th ed., Alphen aan den Rijn: Kluwer Law.
Ricolfi, M. (2017) "Commento all'Art. 17 – La protezione della proprietà intellettuale" in R. Mastroianni *et al* (eds.) *Carta dei diritti fondamentali dell'Unione Europea*, Giuffré.
Ricolfi, M. (2019) "La proprietà intellettuale e le libertà antagoniste" in F. Caggia & G. Resta *I diritti fondamentali e il diritto privato*, Roma: Roma Tre Press.
Rosati, E. (2019) *Copyright and the Court of Justice of the European Union*, Oxford: Oxford University Press.
Schauer, F. (1991) "Exceptions", *University of Chicago Law Review*, 58(3), 871.
Sganga, C. (2019) "A Decade of Fair Balance Doctrine, and How to Fix It: Copyright versus Fundamental Rights before the CJEU from *Promusicae* to *Funke Medien*, *Pelham* and *Spiegel Online*", *European Intellectual Property Review*, 41(11), 683–696.
Synodinou, T. (2019) "Lawfulness for Users in European Copyright Law: Acquis and Perspectives", *Journal of Intellectual Property, Information Technology and E-Commerce Law*, 10, 20–37.
Torremans, P. (2018) "Copyright (and Other Intellectual Property Rights) as Human Right" in P. Torremans (ed.) *Intellectual Property and Human Rights*, Alphen aan den Rijn: Kluwer Law.
Yu, P.K. (2018) "Challenge to the Development of a Human Rights Framework for Intellectual Property" in P. Torremans (ed.) *Intellectual Property and Human Rights*, Alphen aan den Rijn: Kluwer Law.

Case law

ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding, Case C-435/12, 10 April 2014, ECLI:EU:C:2014:254.
Anheuser-Bush Inc. v Portugal, 73049/01 [2005] ECHR 686 (11 October 2005).
Bastei Lübbe GmbH v Strotzer, Case C-149/17, 18 October 2018, ECLI:EU:C:2018:841.
Booker Aquaculture Limited (trading as Marine Harvest McConnell) v The Scottish Ministers Joined Cases C-20/00 and C-64/00, 10 July 2003, ECLI:EU:C:2003:397.
CCH Canadian Ltd. v. Law Society of Upper Canada [2004] SCC 13.
Cofemel – Sociedade de Vestuário SA v G-Star Raw CV, Case C-683/17, 12 September 2019, ECLI:EU:C:2019:721.
Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others, Case C-201/13, 3 September 2014, ECLI:EU:C:2014:2132.
Entidad de Gestión de Derechos de los Productores Audiovisuales (EGEDA) and Others v Administración del Estado, Case C-470/14, 9 June 2016, ECLI:EU:C:2016:418.
Funke Medien NRW GmbH and Others v Bundesrepublik Deutschland, Case C-469/17, 29 July 2019, ECLI:EU:C:2019:623.
Infopaq International A/S v Danske Dagblades Forening, Case C-5/08, 16 July 2009, ECLI:EU:C:2009:465.

Land Nordrhein-Westfalen v Renckhoff, Case C-161/17, 7 August 2018, ECLI:EU:C:2018:634.
Luksan v Petrus van der Let, Case C-277/10, 9 February 2012, ECLI:EU:C:2012:65.
Painer v Standard Verlags GmbH, Case C-145/10, 7 March 2013, ECLI:EU:C:2013:138.
Pari Pharma GmbH v European Medicines Agency (EMA), T-235/15, ECLI:EU:T:2018:65.
Pelham GmbH v Ralf Hütter, Case C-476/17, 29 July 2019, ECLI:EU:C:2019:624.
R. (British Academy of Songwriters, Composers and Authors and others) v Secretary of State for Business, Innovation and Skills [2015] Bus. L.R. 1435.
Ranks and Vasiļevičs v Finanšu un ekonomisko noziegumu izmeklēšanas prokoratūra, Case C-166/15, 12 October 2016, ECLI:EU:C:2016:762.
Ryanair Ltd v PR Aviation BV, 15 January 2015, Case C-30/14, ECLI:EU:C:2015:10.
SABAM v Netlog, Case C-360/10, 16 February 2012, ECLI:EU:C:2012:85.
SAS Institute Inc. v World Programming Ltd, Case C-406/10, 2 May 2012, ECLI:EU:C:2012:259.
Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM), Case C-70/10, 24 November 2011, ECLI:EU:C:2011:771.
Soulier and Doke v Premier ministre, Ministre de la Culture et de la Communication, Case C301/15, 16 November 2016, ECLI:EU:C:2016:878.
Spiegel Online GmbH v Volker Beck, Case C-516/17, 29 July 2019, ECLI:EU:C:2019:625.
Stichting de Thuiskopie v Opus Supplies Deutschland GmbH and others, Case C-462/09, 16 June 2011, ECLI:EU:C:2011:397.
Technische Universität Darmstadt v Eugen Ulmer KG, Case C-117/13, 11 September 2014, ECLI:EU:C:2014:2196.
UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH, Case C-314/12, 27 March 2014, ECLI:EU:C:2014:192.
VCAST Limited v RTI SpA, Case C-265/16, 29 November 2017, ECLI:EU:C:2017:913.
VG Wort v Kyocera, Joined Cases C-457/11 and C-460/11, 27 June 2013, ECLI:EU:C:2013:426.

14

ON THE WAX OR WANE? THE INFLUENCE OF FUNDAMENTAL RIGHTS IN SHAPING EXCEPTIONS AND LIMITATIONS

Sabine Jacques

Abstract

The relationship between copyright (permitting copyright owners to control the uses made of their protected works) and others' fundamental rights (which might require the unauthorized use of protected works) has never been easy to grasp. Initially, legislators relied upon mechanisms internal to copyright law, such as the idea/expression dichotomy, and specific exceptions and limitations to strike a balance between the two. But, increasingly, fundamental rights are pertinent to shaping copyright's paradigm. Despite a strong will to uphold fundamental freedoms, difficulties lie ahead at domestic level. This chapter analyzes the influence of fundamental rights in shaping the scope of copyright exceptions to contribute to EU harmonization.

Contents

Abstract 281
Introduction 281
The legal framework of fundamental rights 283
The tensions between fundamental rights and copyright explained 284
The rise of fundamental rights concerns in CJEU copyright exception jurisprudence 287
Increasing importance of the fundamental freedoms' framework, broad discretion for Member States and problems ahead 292
Conclusion 295
References 296
Books 296
Journal articles 296
Other sources 297
Case law 297

Introduction

The relationship between copyright (permitting copyright owners to control the uses made of their protected works) and others' fundamental rights (which might require unauthorized use of protected works) has never been easy to grasp. Initially, legislators relied upon mechanisms internal to copyright law, such as the idea/expression dichotomy, and specific

exceptions and limitations to strike a balance between the two.[1] But increasingly, fundamental rights are pertinent to shaping copyright's paradigm.

Several reasons might explain this growing interest to see a deeper relationship between copyright and fundamental rights. Although copyright law has been updated periodically, there are still gaps in respect of certain uses of works. If anything, the amendments made to copyright law have been skewed: by mainly safeguarding rightholders' interests, the revisions have jeopardized the previous internal balance, which had been carefully struck between copyright protection and other fundamental rights.

Therefore, some recourse to human rights arguments might be expected when seeking to justify an unauthorized – but socially valuable – use of a protected work (on the interplay between copyright and fundamental rights, see also the discussion in Chapter 2). Yet, if this is not a new development, why do national courts now seem more comfortable to hear defense arguments based on human rights considerations? One plausible answer is that more-recent legal instruments expressly recognize this.[2] The EU Charter of Fundamental Rights[3] (EU Charter) and the European Convention on Human Rights[4] (ECHR) require EU Member States and EU national courts to respect the fundamental rights and principles recognized therein. Consequently, at least some national courts now seem happier to accept that fundamental rights-based arguments have firm legal basis in copyright cases. Additionally, several decisions of the Court of Justice of the European Union (CJEU) rely upon principles enshrined in the Charter to interpret and shape exceptions and limitations contained in EU copyright law. Finally, some provisions in the EU copyright instruments are extremely vague, as a quick review of optional list of exceptions of Article 5(3) of the InfoSoc Directive will confirm. As a result of different national interpretations, the scope of an exception may vary between jurisdictions – far from the harmonization which the EU legislator intended to create. Here, the shared human rights framework provides a tool to calibrate the exceptions, enabling them to be applied in a uniform manner throughout the EU, thereby providing greater legal certainty for rightholders and users alike.

Although it would be a very interesting exercise, this chapter does not aim to review how fundamental rights concerns have influenced *each and every* copyright provision. Rather, the primary focus of this contribution is to examine when courts have sought recourse to fundamental rights jurisprudence to define the scope of certain exceptions. To do so, it first revisits the basic fundamental rights framework relied upon by EU national courts when deciding copyright cases. Then it gives an account of the tensions between copyright and human rights. This enables us to subsequently evaluate recent CJEU case law concerning copyright exceptions and – finally – to propose potential solutions to the main contentious and unresolved issues which have been identified.

1 J. Griffiths and L. McDonagh, Fundamental Rights and European Intellectual Property Law – The Case of Art 17(2) of the EU Charter in C. Geiger (ed) *Constructing European IP: Achievements & New Perspectives* (Edward Elgar Publishing, 2013), 75–93.

2 Recital 3 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society OJ L 167, 22/06/2001 10 – 19 (InfoSoc Directive); Recital 84 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC OJ L 130, 17.5.2019, 92–125 (CDSMD).

3 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, 391–407.

4 European Convention for the Protection of Human Rights and Fundamental Freedoms, Rome 1950.

The legal framework of fundamental rights

Although widespread recognition of fundamental rights protection stems from the aftermath of the Second World War,[5] it is more recent EU legislative developments which have created the need to analyze the interface between copyright, freedom of expression, and other fundamental rights.[6]

Despite a strong general will to integrate protection of fundamental rights within the EU legal order, the genesis of the EU Charter was not straightforward. The EU was unable to join the ECHR,[7] unless all EU Member States were first willing to amend the EU Treaties to provide the proper legal basis for this to take place, but there was not unanimity. As accession was not viable, a new EU text was proposed as an alternative.[8] Despite receiving a mixed response,[9] what is now the EU Charter became part of EU constitutional law when the Lisbon Treaty was adopted.[10] The EU Charter is a primary text (meaning it has the same legal status as the EU Treaties) making the magnitude of this achievement significant. The EU Charter stands to mark a clear desire to make fundamental rights more accessible to the EU's citizens by requiring EU institutions and Member States to take these into account whenever implementing or applying EU law.[11]

It is reasonable that one might wonder about the relationship between the EU Charter and the ECHR. Indeed, some of the Charter's early critics, who considered that there were better routes to improve the human rights protection in the EU, suggested that it might be redundant. Whilst it is true that some rights seem simply to have been transposed from the Convention, others have been revised slightly to update them for today's society. But beyond these mere cosmetic changes, Article 52(3) ensures that where rights contained in the Charter correspond to those of the Convention, the scope shall be the same, although EU rights might be more extensive.[12] Therefore, the ECHR serves to set minimum standards for the EU. Additionally, because the meaning and scope of the Charter rights are required to be consistent with those of the Convention, then the ECHR acquis is of relevance for EU law too.[13]

At first glance, it might seem that the EU Charter does not permit fundamental rights, such as the rights to freedom of expression or property, to be restricted given the lack of similar mechanism as in Article 10.2 ECHR directly in the provisions of the Charter, but this impression is erroneous. Article 52(1) clarifies that limitation is possible, provided that it is prescribed by law, is necessary in a democratic society and either seeks to fulfil one of the objectives of general interest recognized by the EU or the need to respect the rights and freedoms of others (i.e., the proportionality test).

5 See non-legally binding United Nations (UN) instrument, the Universal Declaration of Human Rights 1948. Then, through the legally binding ECHR.

6 See also J. Griffiths and L. McDonagh, n. 1.

7 Opinion 2/94 on Accession by the Community to the ECHR [1996] ECR I-1759.

8 Cologne European Council, 'Presidency Conclusions' (3&4/06/1999) available at https://www.europarl.europa.eu/summits/kol1_en.htm (last accessed 14 August 2020).

9 D. Anderson Q.C. and C. Murphy, 'The Charter of Fundamental Rights: History and Prospects in Post-Lisbon Europe' (*EUI Working Paper Law* 2011/08) 1.

10 This was done via article 6(1) Treaty on European Union OJ C 326, 26.10.2012, 13–390.

11 Article 51(1) EU Charter.

12 See also, Article 53 EU Charter.

13 Confirmed in C-469/17, *Funke Medien NRW GmbH v Bundesrepublik Deutschland* (29/7/2019) ECLI:EU:C:2019:623 (*Funke Medien*), 73; C-516/17, *Spiegel Online GmbH v Volker Beck* (29/7/2019) ECLI:EU:C:2019:625 (*Spiegel Online*), 57.

Equally, a strong commitment to protect fundamental rights is also evident in EU intellectual property (IP) law. Recital 3 of the InfoSoc Directive states that its implementation must not only further the four freedoms of the internal market, but must also respect the fundamental freedoms of property (including IP), freedom of expression, and the public interest.[14] Similarly, Recital 54 CDSMD[15] directs that interpretation of the directive's provisions must respect that the rights and principles of the EU Charter. Although adoption of the CDSMD was surrounded by intense negotiations, it is noteworthy that this particular recital proved uncontentious. Additionally, Article 17, concerning use of copyright-protected content by online sharing platforms (see also the discussion in Chapter 9) – specifically provides that Member States, when implementing this provision, must ensure that any cooperation between rightholders and content-sharing service providers must take 'special account […] of the need to balance fundamental rights and of the use of exceptions and limitations'.[16]

While the journey has been long and difficult, few would deny that the EU now has a strong legal framework to ensure fundamental rights are protected, and that legislators and courts are conscious of the need to keep the fundamental freedoms in mind whenever EU law is introduced, transposed or applied.

The tensions between fundamental rights and copyright explained

Whilst the courts in some countries have always been receptive to exploring the relationship between fundamental rights and copyright, much of the case law and literature on this topic is relatively recent. One explanation for this is that the two regimes were not previously seen to conflict.[17] However, as the last decades have seen a rise in the importance of protecting fundamental freedoms via national and supra-national law,[18] discussions regarding the interaction between the regimes have emerged, both in courtrooms and in the literature.

The nature of the tension is simply explained as follows: copyright protection grants its holder a bundle of exclusive rights so that they can control exploitation of their specific expression of an idea; yet fundamental freedoms, including the right to freedom of expression, afford every individual the right to express their ideas freely. The two rights can conflict if one speaker seeks to rely upon the copyright-protected expression of another to make a point. Three main conceptualizations of the relationship between copyright and freedom of expression have been developed over time.[19]

According to the first view, copyright is perceived as the main right, but freedom of expression is recognized by providing an exception which carves out a defense to certain

14 *Supra* n. 2.

15 For more on the copyright reform see, G. Frosio, 'Reforming the C-DSM: A User-based Copyright Theory for Commonplace Creativity' (2020) *IIC*, https://doi-org.uea.idm.oclc.org/10.1007/s40319-020-00931-0 (last accessed 14 August 2020).

16 Article 17(10) and Recital 71 CDSMD, n. 2.

17 M. Birnhack, 'Acknowledging the conflict between copyright law and freedom of expression under the Human Rights Act' (2003) 24 *Entertainment Law Review*, 24.

18 E.g., UK with the Human Rights Act 1998 ('HRA'); France: décision du conseil constitutionnel (Cons. const., déc. n° 2006-540 DC, 27/6/2006, *Loi relative au droit d'auteur et aux droits voisins dans la société de l'information*; C. Caron, *La nouvelle loi sous les fourches caudines du Conseil constitutionnel*, *Comm. com. électr.* 2006, comm. 140; V.-L. Bénabou, *Patatras ! À propos de la décision du Conseil constitutionnel du 27 juillet 2006*, *Propr. Intell.* 2006, n° 20, 240–242; EU: especially since the introduction of the Charter and recent CJEU decisions, n. 42.

19 S. Jacques, *The Parody Exception in Copyright Law* (OUP, 2019), 17.

otherwise-infringing uses. One example of this approach at national court level is *Ashdown*, which came before the Court of Appeal of England and Wales, concerning a newspaper's publication of extracts of a politically sensitive and unpublished memo.[20] Ashdown sued the newspaper for copyright infringement and breach of confidentiality. Predictably, the defendant sought to invoke the fair dealing defense for the purpose of criticism, review or reporting current events and the public interest defense,[21] but with the twist that they based their arguments on Article 10 ECHR, as enshrined in the then recently enacted Human Rights Act (HRA), through which the UK had incorporated the ECHR into domestic law. In essence, they argued that, in addition to copyright's own internal limitations, such as the fair dealing defenses, the right to freedom of expression gave rise to another exception, which courts ought to explore. At first instance, the High Court disagreed and reaffirmed that copyright law was self-contained. The required balance has already been struck in the legislation, so no further (external) limitation based upon freedom of expression was required.[22] Although the Court of Appeal dismissed the newspaper's appeal, it did acknowledge the possibility of a freedom of expression defense. Noting that copyright only protects specific expressions of ideas, and not ideas *per se* (which remain free for others to use in their own expressions),[23] the court acknowledged possible tensions between copyright and freedom of expression in certain special situations. Although it will usually be possible to convey a message without copying another's exact words, on occasion, the actual form of expression used is as important as its content. Then, it is necessary to publish the expression verbatim.[24]

The *Ashdown* case is notable as being the first one in which UK courts analyzed the relationship between copyright and other fundamental rights, decided soon after the enactment of the HRA.[25] It reaches the opposite conclusion to another recognized conception in which freedom of expression ought to supersede copyright in the hierarchy of rights.[26] According to this perspective, copyright protection should be restricted: freedom of expression generally prevails but with copyright seen as an (limited) exception to that right. The main risks of this theorization are potentially to reduce copyright's scope of protection too much, and grant overbroad discretion to the first instance judge. Essentially, this approach would introduce as US 'fair-use' type defense into EU copyright law, but without the legal certainty provided by more than a century of precedents.[27] Contemporary developments confirm that both conceptualizations should be rejected, in favor of a third.

Copyright, as a property right, and freedom of expression both enjoy protection as fundamental rights.[28] At international level, attempts to establish a hierarchy of human rights

20 *Ashdown v Telegraph Group Ltd* [2001] 2 WLR 967 (*Ashdown I*), [2001] EWCA Civ 1142 (*Ashdown II*).

21 Respectively, sections 30 and 171(3) Copyright, Designs and Patents Act 1988.

22 *Ashdown I* n. 20, 696.

23 *Ashdown II* n. 20, 28 & 31.

24 *Ibid*., 43.

25 See further: C. J. Angelopoulos, 'Freedom of Expression and Copyright: The Double Balancing Act' (2008) 3 *IPQ*, 328–353; J. Griffiths, 'Copyright Law after Ashdown – Time to Deal Fairly with the Public' (2002) 3 *IPQ*, 240.

26 D. Voorhoof, 'La Liberté d'expression est-elle un argument légitime en faveur du non-respect du droit d'auteur ?' in Strowel A and Tulkens F (eds), *Droit D'auteur et Liberté D'expression: Regards Francophones, d'Europe et D'ailleurs* (Larcier, 2006), 55.

27 As also confirmed in *Sony/ATV Music Publishing LLC & Anor v WPMC Ltd & Anor* [2015] EWHC 1853 (Ch) (01 July 2015) at 100 (per Justice Arnold).

28 Freedom of expression is protected under Articles 10 ECHR and 11 EU Charter whilst the right to property is protected under Articles 1 of the First Protocol to ECHR and 17 EU Charter.

remains controversial and largely unresolved.[29] It is widely accepted that the rights are interdependent, such realization of one necessitates the protection and promotion of others.[30] Equally, the indivisibility of the rights suggests that establishing a hierarchy between them would be problematic, leading to the conclusion that ranking should be avoided.[31] However, some international instruments do adopt a hierarchy. For example, Article 4 of the International Covenant on Civil and Political Rights 1966 does permit some derogation of 'qualified' fundamental rights, including copyright and freedom of expression, in certain special circumstances and within limits. In this sense, the *Ashby Donald* case before the European Court of Human Rights (ECtHR) is a landmark one,[32] because that court reviewed the relationship between freedom of expression and copyright for the first time. The decision acknowledges that circumstances can arise when copyright will interfere with the right of freedom of expression, but emphasizes that any restriction to the right of freedom of expression must satisfy the proportionality test.[33] This has made clear that the mere fact that copyright has been infringed is an insufficient reason in itself to restrict another's freedom of expression. Thus, from this decision it appears that there is explicit recognition for copyright law to have some 'external' human rights facet as confirmed by recent CJEU decisions.[34]

The *Ashby Donald* case was brought by three fashion photographers who had taken and published photographs of the new designs without the authorization of the fashion house which owned the rights in these creations. Previously, the French courts had held that the photographers' actions amounted to copyright infringement. In particular, the French Supreme Court held that the defense for reporting news and current events did not apply to the use in question,[35] and dismissed an argument raised based upon the photographers' rights under Article 10 ECHR. The photographers sought redress for the alleged Article 10 violation before the ECtHR without success. Although recognizing that the finding of copyright infringement did restrict their right to free expression, the court emphasized that such a restriction was permissible provided it fell within the terms of Article 10(2) ECHR.[36] As there was no dissent that the restriction was prescribed by a law which sought to protect the rights (copyright) of others, the main discussion revolved around the 'necessity in a democratic society' requirement.[37] The ECtHR had previously acknowledged that national courts enjoy a wide margin of appreciation in relation to commercial expressions, such as those made by the photographers,[38] which do not tackle a topic of public interest. The ECtHR accepted that the French courts' finding in this case had been proportionate. Additionally, and what is

29 T. Koji, 'International Human Rights and Beyond: From the Perspective of Non-derogable Rights' (2001) 12(5) *EJIL*, 917.

30 *Ibid*., 918. As supported by Article 6 of the Declaration on the Right to Development 1986 and para 5 of the Vienna Declaration and Programme of Action 1993.

31 P. Sieghart, 'The Lawful Rights of Mankind: An Introduction to the International Legal Code of Human Rights' (1985) 84 (4/5) *Michigan Law Review*, 83.

32 ECtHR (5th section), 10/01/2013, *Ashby Donald and others v France*, Appl. nr. 36769/08. (*Ashby Donald*).

33 Article 10(2) ECHR.

34 Doubts remain as to whether the external limit can add copyright exceptions to the list of Article 5 InfoSoc Directive. S. van Deursen and T. Snijders, 'The Court of Justice at the Crossroads: clarifying the role for fundamental rights in the EU copyright framework' (2018) 49 *IIC*, 1080.

35 L 122-5, 3°, c) French Intellectual Property Code 1992.

36 *Ashby* n. 31, 34.

37 *Ibid*., 36.

38 ECtHR (Plenary), 20/11/1989, *Markt Intern Verlag GmbH and Klaus Beermann v. Germany*, Appl. nr. 10572/83, 33; ECtHR, 25/8/1998, *Hertel v Switzerland*, Appl. nr. 25181/94, 47; ECtHR (Grand Chamber), 13/7/2012, *Mouvement Raëlien Suisse v Switzerland,* Appl. nr. 16354/06, 61.

most important for our inquiry, the court explained that national courts enjoy a wider margin of appreciation whenever they are required to balance two ECHR rights (the ECtHR's role here being to oversee that the national court has struck a fair balance given the rights in conflict). Clearly, the outcome might have been different if the published photographs had featured a subject of wider public interest than fashion creations, but the case serves to clarify that copyright rules must be applied in accordance with Article 10 ECHR.[39] This approach has been reinforced by CJEU jurisprudence which has noted that the EU Charter protects both freedom of expression and copyright, such that copyright protection is not an absolute and requires balancing against conflicting fundamental rights of others.[40]

Regarding copyright exceptions, the net result is that the mere fact that a defense exists – even one founded on a fundamental right – does not mean that a copyright holder's protection should be set aside.[41] However, the existence of such exception leaves it open for national courts to balance the specific fundamental rights at play. Copyright exceptions provide a way to balance the 'high level' of protection afforded by copyright (thereby respecting the legislator's balance between the respective interests of rightholders and users) whilst leaving room for national judges to strike a fair balance between the specific fundamental rights in issue in the specific case before them.[42]

The rise of fundamental rights concerns in CJEU copyright exception jurisprudence

A full census of copyright cases involving fundamental rights falls beyond the scope of this chapter (see the discussion in Chapter 2). Suffice to say that this jurisprudence did not appear overnight: rather, its long process has been accelerated by the adoption of the EU Charter.[43]

39 C. Geiger and E. Izyumenko, 'Copyright on the Human Rights' Trial: Redefining the Boundaries of Exclusivity through Freedom of Expression' (2014) 45(3) *IIC*, 316.

40 C-70/10, *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)* (24/11/2011), ECLI:EU:C:2011:771, 43 and 45; C-360/10, *Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v Netlog NV* (16/2/2012) ECLI:EU:C:2012:85, 42–44; C-73/07, *Tietosuojavaltuutettu v Satakunnan Markkinapörssi Oy and Satamedia Oy* (16/06/2008) ECLI:EU:C:2008:727, 56.

41 Jacques, n.19, 18.

42 Recitals 4 & 9 InfoSoc Directive and Recitals 2, 3 & 62 CDSMD, n. 2.

43 Some broad principles of interactions between copyright and the freedom to conduct a business can be found in C-200/96, *Metronome Musik GmbH v Music Point Hokamp GmbH* (28/4/1998) ECLI:EU:C:1998:172, 12. Acceleration after the adoption of the Charter can be evidenced by cases such as C-70/10, supra n. 39, 41–54; C-145/10, *Eva-Maria Painer v Standard VerlagsGmbH and Others* (1/12/2011) ECLI:EU:C:2011:798 ('Painer'), 85–99 and 115; C-360/10, n. 39, 52; C-510/10, *DR and TV2 Danmark A/S v NCB – Nordisk Copyright Bureau* (26/4/2012) ECLI:EU:C:2012:244 ('DR, TV2'), 57; C-457/11 *Verwertungsgesellschaft Wort (VG Wort) v Kyocera and Others* (C-457/11) *and Canon Deutschland GmbH* (C-458/11) *and Fujitsu Technology Solutions GmbH* (C-459/11) and *Hewlett-Packard GmbH* (C-460/11) *v Verwertungsgesellschaft Wort (VG Wort)* (27/6/2013) ECLI:EU:C:2013:426, 73–79; C-314/12, *UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH* (27/3/2014), EU:C:2014:192, 47; C-201/13, *Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others* (3/9/2014) ECLI:EU:C:2014:2132 ('Deckmyn'), 25–32; C-160/15, *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc., Britt Geertruida Dekker* (8/9/2016) ECLI:EU:C:2016:644, 31; C-484/14, *Tobias Mc Fadden v Sony Music Entertainment Germany GmbH* (15/9/2016), EU:C:2016:689, 90; C-149/17, *Bastei Lübbe GmbH & Co. KG v Michael Strotzer* (18/10/2018) ECLI:EU:C:2018:841, 36–55; C-161/17, *Land Nordrhein-Westfalen v Dirk Renckhoff* (7/8/2018) ECLI:EU:C:2018:634, 41–43; C-476/17, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben* (29/8/2019) ECLI:EU:C:2019:624 ('Pelham'), 24–25, 32–36, 59–61 and 76-81; C-516/17, n. 13, 16–22, 38, 40–48; C-469/17, n. 13, 28–32, 53, 57–60 and 67–76.

As this section will explain, the CJEU has not only confirmed that EU copyright law must be interpreted in light of fundamental rights, but has gone some way to explain how the copyright exceptions (defenses) interact or relate to fundamental freedoms.

Early, the CJEU has confirmed that where a copyright exception is underpinned by fundamental right, then national courts must interpret the exception in a manner which protects this right.[44] This recognizes that the EU legislator has already sought to balance rights and interests, including fundamental rights, when framing the list of permitted uses of Article 5 InfoSoc Directive.[45] Two of these exceptions have received particular scrutiny by the CJEU. The first of these is the quotation and news reporting exception (on this specifically, see the discussion in Chapter 12).[46] The CJEU advises that this exception aims to permit unauthorized use of copyright-protected works to realize freedom of expression and information, thereby favoring user rights over the copyright holder's right to control exploitation of their work.[47] Similar developments occurred in relation to the parody exception (for a comparative analysis between the US and the EU approaches, see the discussion in Chapter 16). Yet, unless the particular type of use is listed as an exception in Article 5, then it is not permitted *even if* it is supported by fundamental rights. The CJEU has, thus, clarified that the Article 5 list is exhaustive and Member States are not free introduce additional exceptions in national copyright legislation. To do otherwise would be contrary to principles of equality and jeopardize the 'harmonization of EU copyright law, legal certainty and consistent application of copyright exceptions and limitations' within the EU single market.[48]

Whilst this clarification is important, there have been more significant developments in relation to the interpretation of exceptions grounded in fundamental rights. EU copyright law upholds a high level of protection for rightholders,[49] and the CJEU made clear relatively early on that copyright exceptions should be interpreted strictly.[50] This guidance led courts to favor rightholders by interpreting their exclusive rights broadly and exceptions to those rights narrowly.[51] However, in *Painer*,[52] a case which concerned the unauthorized reproduction of a copyright-protected photograph in a newspaper, the CJEU underlined that a 'strict' interpretation of a copyright exception should not be confused with a 'restrictive' interpretation. Rather, the exceptions should be interpreted in such a way to ensure that exception remains effective in meeting its intended objective.[53] In *Painer*, the CJEU explained that the quotation exception of Article 5(3)(d) does not apply solely to quotations from literary works, but could extend to artistic and other types of protected works.[54] As the provision lacked any

44 *Painer*, n. 42, 135, *Deckmyn*, n. 42, 27.

45 *Funke Medien*, n. 13, 70; *Spiegel Online,* n. 13, 54; *Painer,* n. 42, 134.

46 Article 5(3)(d) InfoSoc Directive.

47 *Painer,* n. 42, 135; *Funke Medien*, n. 13, 60 & 73; *Spiegel online*, n. 13, 45, 57 and 72.

48 C. Geiger and E. Izyumenko, 'The constitutionalisation of intellectual property law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, But Still Some Way to Go!' (2020) 51(3) *IIC*, 282–306, 287.

49 Supra n. 41.

50 C-36/05, *Commission* v *Spain* (26/10/2006) ECLI:EU:C:2006:672, 31; C-476/01, *Kapper* (29/4/2009) ECLI:EU:C:2004:261, 72; C-403/08 and C-429/08, *Football Association Premier League and Others* (4/10/2011) ('FAPL') ECLI:EU:C:2011:631, 162 and 163; *Painer,* n. 42, 109 & 133; C-435/12, *ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding* (10/4/2014) EU:C:2014:254, 23 ('ACI Adam'); *Deckmyn*, n. 42, 22; *Funke Medien*, n. 13, 69.

51 Jacques, n. 19, 76.

52 *Painer,* n. 42.

53 *Ibid*., 133; *Deckmyn*, n. 42, 23; *FAPL*, n. 49*,* 163; *Spiegel Online*, n. 13, 82.

54 *Painer,* n. 42, 137.

specific limitation to literary works, to construe it in this way was too restrictive because it undermined the exception's aim to promote freedom of expression and information.

The CJEU's case law has further clarified that, although national legislators may implement the exceptions of Article 5 InfoSoc Directive in accordance with their legal traditions, they are not entitled to alter the scope of copyright exceptions harmonized at the EU level.[55] For example, conditions not specified in Article 5 InfoSoc Directive, cannot be introduced at national level to narrow the scope of a defense. Additionally, in the event that different literal interpretations are possible based upon different linguistic versions of a provision, then national courts should rely upon the exception's objectives to guide them to the correct one. In *DR, TV2*,[56] the referring national court sought clarification from the CJEU in respect of the meaning of Article 5(2)(d) InfoSoc Directive (relating to ephemeral recordings made by broadcasters) in light of Recital 41. Should it be interpreted as:

> [M]eaning that a broadcasting organisation's own facilities include the facilities of a person acting 'on behalf of **and under** the responsibility of the broadcasting organisation' or as meaning that a broadcasting organisation's own facilities include the facilities of a person acting 'on behalf of **or under** the responsibility of the broadcasting organisation' (emphasis added).[57]

In other words, were the two conditions set out in Recital 41, which determined whether the exception applied (or not) cumulative or alternative requirements?[58] Having considered the exception's objectives, the CJEU approved the latter option: the two conditions ('on behalf of' and 'under the responsibility of') should be understood as equivalents and therefore identified alternative scenarios, either of which was sufficient.[59] In reaching this conclusion, the CJEU noted that where one possible interpretation enables a greater realization of a fundamental right (in this case, the freedom to conduct a business)[60] without having and adverse effect on the rightholders' rights, then this is the interpretation which should prevail.[61]

Fundamental rights are also potentially relevant to the interpretation of those exceptions which do not seek to facilitate the realization of a fundamental right directly.[62] The CJEU was asked to consider the private copying exception of Article 5(2)(b) InfoSoc Directive and who owes the fair compensation to the rightholder[63] (on private copying, see also the discussion in Chapter 7). *In casu*, the court noted that the first person to cause the harm generally owes fair compensation, but as this might be difficult to realize for privately made copies, an upstream levy on reproduction devices might be more practical. Recognizing that the making of some copies might utilize several devices in the reproduction process, the CJEU determined that, to preserve the right of equal treatment, the overall amount of 'fair'

55 C-467/08, *Padawan SL v Sociedad General de Autores y Editores de España (SGAE)* (21/10/2010) ECLI:EU:C:2010:620 ('Padawan'); *DR, TV2*, supra n. 42; *ACI Adam*, n. 49, 33 & 34.

56 *DR, TV*, n. 42.

57 *Ibid*., 38.

58 *Ibid*., 42.

59 *Ibid*., 56.

60 Article 16 EU Charter.

61 *DR, TV*, n. 42, 57.

62 Article 20 EU Charter; C-457/11, n. 42, 73; *Deckmyn*, n. 42, 14.

63 C-457/11, *ibid*., 74 referring to C-462/09, *Stichting de Thuiskopie v Opus Supplies Deutschland GmbH and Others* (16/06/2011) ECLI:EU:C:2011:397, 23.

compensation for a single reproduction reliant upon several devices should not be substantially different from the compensation payable for a copy made through a single device.[64]

While the cases discussed so far have focused on how fundamental rights have been used to establish principles of interpretation of the EU copyright exceptions, as we shall see, the CJEU also seems to use fundamental rights to fine-tune exceptions. In *Deckmyn*,[65] the parody exception came under the CJEU's scrutiny.[66] The open-ended drafting of Article 5(3)(k) InfoSoc Directive suggested that national legislators might enjoy broad discretion in their implementation of this exception, yet were the exception to enjoy a different scope in different Member States, then this would jeopardize goals of harmonization, equality and legal certainty.[67] How, then, could harmonization of this exception be achieved? First, the CJEU confirmed that as the exception did not reference any specific national legislation, consequently the concept of parody under the exception must be interpreted autonomously and uniformly throughout the EU territory, meaning previous national approaches to parodic use may need to be put aside.[68] The Court also established that a parody must involve a humorous character and 'evoke an existing work while being noticeably different from it'.[69] Finally, the CJEU noted that the parody exception is rooted in the right of freedom of expression and one objective of the InfoSoc Directive is to foster harmonization by respecting fundamental rights.[70] If a protected work is used by another in a parody, the property right of the copyright owner conflicts with the parodist's freedom of expression. National courts must resolve this clash by striking a fair balance between the fundamental rights of both.[71] The CJEU instructs national courts to do this by taking all the facts of the particular case into account to carry out a proportionality test.[72]

Some see this decision as establishing a two-step test: national courts first assess whether the unauthorized use is a parody based upon the CJEU's two characteristics; and then they balance the particular rights at stake according to this proportionality test to see if the parodic use should be permitted, or not.[73] However, while this is one reading of this decision, another is equally plausible. By requiring that courts verify that the two main parody requirements are met whilst striking a fair balance respecting fundamental rights, the CJEU seems to indicate that fundamental rights also play a role in the assessment of the twin requirements of parody: humorous character and lack of confusion.[74] If so, the CJEU has made a considerable step which goes further than simply utilizing fundamental rights to establish general interpretation principles, to identifying that fundamental rights may play a direct role in shaping copyright exceptions. In the case of the parody exception, this is helpful, since it had been transposed, interpreted, and applied differently within the EU. In *Deckmyn*,

64 *Ibid*., 78–79.

65 *Deckmyn*, n. 42.

66 S. Jacques, 'Are National Courts Required to Have an (Exceptional) European Sense of Humour?' (2015) 37(3) *EIPR* 134.

67 *Deckmyn*, n. 42, 14.

68 *Ibid*., 15 referring to *Padawan*, supra n. 54, 33.

69 *Deckmyn*, n. 42, 20.

70 *Ibid*., 25.

71 *Ibid*., 26–27, referring to *Padawan*, n. 54, 43, and *Painer*, n. 42, 132.

72 *Deckmyn*, n. 42, 28.

73 J. Griffiths, 'Fair Dealing after Deckmyn – The United Kingdom's Defence for Caricature, Parody or Pastiche' in M. Richardson and S. Ricketson (eds), *Research Handbook on Intellectual Property in Media and Entertainment* (Edward Elgar Publishing, 2017) available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2770508 (last accessed 14 August 2020) 15; E. Hudson, The Pastiche Exception in Copyright Law: A Case of Mashed-Up Drafting?' (2017) 4 *IPQ*, 346.

74 *Deckmyn*, n. 42, 32; Jacques, n. 19, 211.

by requiring national courts to engage with the human rights framework to the facts of the case where the defense is invoked,[75] the CJEU provides the means to achieve harmonization, legal certainty, and consistency.[76]

The role of fundamental rights to shape specific copyright provisions has been bolstered in three recent cases[77]: *Funke Medien*,[78] *Pelham*[79] and *Spiegel Online*.[80] These endorse that copyright law must be applied in a way which respects freedom of expression and information, the public interest as well as the right to property (copyright).[81]

Funke Medien concerned the scope of the quotation and news reporting exceptions,[82] which aim to realize freedom of expression and freedom of the press.[83] When a national court is seeking to balance property rights of the copyright holder and user's rights, the CJEU identifies that national authorities are duty-bound to ensure that national copyright provisions are not interpreted or applied in a manner which fails to respect fundamental freedoms, especially when a copyright exception in issue is so deeply embedded in fundamental rights.[84] Rightly, the CJEU notes that both the right to property and the freedom of expression are qualified – not absolute – rights within the EU fundamental rights framework.[85] Consequently, national courts should consider both the EU Charter and the ECHR, with its associated jurisprudence, to appreciate when a restriction to the exercise of a qualified right can be made.[86] Appropriately then, the CJEU reviews the guidance provided in *Ashby Donald* as to the appropriate balance between copyright and freedom of expression which cautions that the *nature* of the expression or information are relevant for the proportionality test and the margin of appreciation of national authorities.[87]

In *Pelham*, the CJEU was required to consider whether the quotation exception applied to music sampling uses. Here, the court determined that a balance between copyright protection and freedom of the arts[88] meant that only a recognizable segment could be 'quoted',[89] and then – controversially – indicating that the quotation exception would only apply if

75 C. Geiger, J. Griffiths, M. Senftleben, L. Bently and R. Xalabarder, 'Limitations and Exceptions as Key Elements of the Legal Framework for Copyright in the European Union: Opinion of the European Copyright Society on the CJEU Ruling in Case C-201/13 Deckmyn' (2015) 46(1) *IIC*, 93.

76 As required by Recital 32 InfoSoc Directive.

77 Geiger and Izyumenko, n. 47, 287–288.

78 *Funke Medien*, n. 13.

79 *Pelham*, n. 42.

80 *Spiegel Online*, n. 13.

81 For an analysis of the Advocate General's Opinions in these cases, see J. Griffiths, 'European Union Copyright Law and the Charter of Fundamental Rights – Advocate General Spuznar's Opinions in (C-469/17) Funke Medien, (C-476/17) Pelham GmbH and (C-516/17) Spiegel Online' (2019) 20 *ERA Forum*, 35.

82 Additionally, the CJEU noted that content such as military status report which are of a purely informative nature could not result from the author's own intellectual creation and therefore, could not result in a work satisfying the originality requirement under copyright law (*Funke Medien*, n. 13, 24). Here, one can see an occurrence where the idea/expression dichotomy serves as a means to resolve the conflict between the right to property and freedom of expression.

83 *Funke Medien*, n. 13, 60, with reference to *Painer*, n. 42, 135.

84 *Funke Medien*, *ibid*., 51, 68 & 71 with reference to judgments *FAPL*, n. 49, 163 and *Deckmyn*, n. 42, 23.

85 *Funke Medien*, *ibid*., 72.

86 *Funke Medien*, *ibid*., 73.

87 *Spiegel Online,* n. 13, 57–59.

88 Article 13 EU Charter.

89 *Pelham*, n. 42, 72.

the user intends to enter into a 'dialogue' with the copyright-protected work.[90] The logic advanced is that unless a recognizable part is reproduced, there can be no dialogue with the original, and consequently, there can be no quotation.[91]

In *Spiegel Online*,[92] the CJEU considered the quotation and news reporting exceptions in relation to hyperlinking activities. Acknowledging that hyperlinking is a normal activity that contributes to the exercise of freedom of expression and of information online, the Court recognized that the quotation exception could encompass hyperlinking provided that the particular use also met the requirements of this exception.[93] In terms of the news reporting exception, the CJEU recognizes that quick dissemination of news is beneficial, and this aim is undermined by requiring a user to seek prior authorization from the rightholder.[94]

This brief overview of CJEU copyright cases demonstrates how the fundamental rights framework is effective both for interpreting the copyright exceptions and also shaping copyright exceptions and their application.

Increasing importance of the fundamental freedoms' framework, broad discretion for Member States and problems ahead

Assuming that the preceding arguments have been accepted – i.e., that the developing EU legal framework and CJEU jurisprudence have made it increasingly necessary to undertake human rights considerations whenever EU copyright exceptions are applied – it will be apparent that national courts retain significant discretion. When an EU Member State implements an InfoSoc exception into national copyright law, this must be done in such a way as to reach a fair balance between fundamental freedoms of relevant stakeholders. Equally, when a national authority is tasked with resolving a copyright dispute, the objectives of both the InfoSoc Directive and the fundamental rights framework must be respected when deciding whether the defendant's use is covered by an exception.

Yet, the InfoSoc Directive does not harmonize *all* copyright exceptions, so the national margin of discretion remains impervious in respect of unharmonized exceptions.[95] For example, while the CJEU acted keenly to provide a harmonized definition of parody, it did not fully harmonize concepts of quotation or news reporting exceptions.[96] Additionally, national courts enjoy discretion in specific cases when deciding where the fair balance lies between property rights and the competing fundamental rights. One might wonder, then, how the harmonization goal could be achieved in practice. Even though national courts might recognize the CJEU's clear instruction to scrutinize fundamental rights, some judges may be reticent to do so, for fear of venturing into the legislator's domain. Not only may courts remain timid in their balancing of fundamental rights, but they might also lack the experience required to do so.

90 *Ibid*., 71–72. This appears contrary to Article 10 Berne Convention, as pointed out by Lionel Bently. A study of the travaux préparatoires provides evidence that this requirement was specifically rejected. See L. Bently at the Conference on Owning Expression and Propertizing Speech (Luxemburg, 7/11/2019).

91 *Pelham*, n. 42, 73–74.

92 *Spiegel Online*, n. 13.

93 *Ibid*., 81.

94 *Ibid*., 71. For more about *Spiegel Online*, see T. E. Synodinou, 'Reflections on the CJEU's Judgment in the Spiegel Online Case' (2020) 42(2) *EIPR*, 129–134; T. Rendas, 'Spiegel Online: Do Copyright Exceptions and Fundamental Rights Make Easy Bedfellows' (2018) 13(1) *JIPLP*, 10–12.

95 CJEU, judgments in *Funke Medien*, n. 13, 42–43; *Spiegel Online*, n. 13, 27–28.

96 *Deckmyn*, n. 42, 15–17; *contra Funke Medien*, n. 13, 42–43; *Spiegel Online,* n. 13, 27–28.

A recent parody case before the Belgian courts exemplify the issues which can arise from the proportionality test. The case involved the unauthorized use of a popular children's cartoon character *Maya the Bee*. Activist organization Greenpeace had produced a campaign ad featuring Maya promoting cigarette smoking to children. The campaign was intended to draw attention to the licensing of the Maya character to promote processed meat products to children: products which allegedly have similarly serious health risks (colorectal carcinoma, heart diseases, Type-2 diabetes)[97] as tobacco smoking. Studio 100, the rightholders, commenced proceedings for copyright infringement, arguing 'the comparison between smoking and eating meat is bizarre and especially, disproportionate',[98] while Greenpeace argued that the parody exception provided them with a defense.[99] Relying upon *Deckmyn*, the Belgian tribunal found that Greenpeace's use of Maya was humorous and there would be no confusion between its use and the original: the twofold criterion for 'parody' was satisfied. Nevertheless, the Belgian judge concluded that the defense did not apply because the harm to the claimant's (property) rights was disproportionately high. Here, the tribunal noted that, while advertising of tobacco-related products was banned, it was perfect legal to advertise processed meat products. While both carry carcinogenic risks, the risk from processed meat was lower. Greenpeace had also disseminated its campaign using mass media and internet, meaning that it could be seen by adults and children alike. The latter were unlikely to understand the intended message but would find the video shocking. In sum, the balance was tipped in the copyright owner's favor.

There is a number of aspects of the tribunal's reasoning which are deeply troubling. First, Greenpeace's use in the campaign was not a commercial expression (e.g., an advert for a competing product) but rather a public interest one. The ECtHR has confirmed that national courts enjoy a broader margin of appreciation in respect of an expression in the public interest (i.e., public health, environment, etc.).[100] Second, the right of freedom of expression extends to those expressions which may 'shock, disturb or offend',[101] whereas the Belgian tribunal seems to have placed some reliance upon this aspect to restrict Greenpeace's exercise of free expression, even though it did acknowledge that a humorous parody was involved. This raises eyebrows, considering that it is the subject of settled ECtHR case law.[102] Rather, it is evident from *Deckmyn* that, when copyright is in conflict with freedom of expression (or another protected right), the national court must consider all the relevant facts in order to reach a fair balance between the two. Here, in is doubtful that curbing debate of the issues which Greenpeace had sought to raise was necessary. Finally, the tribunal placed weight on the fact that Greenpeace had reproduced the Maya character without any attempt at a

97 See the statements of the World Health Organization in 2015: https://www.who.int/news-room/q-a-detail/q-a-on-the-carcinogenicity-of-the-consumption-of-red-meat-and-processed-meat (last accessed 14 August 2020).

98 Author's own translation.

99 Unpublished. D. Voorhoof, 'Studio 100 vs Greenpeace: wordt het auteursrecht misbruikt?' (14/09/2019) available at https://www.vrt.be/vrtnws/nl/2018/09/14/opinie-dirk-voorhoof-maya-de-bij-en-greenpeace/ (last accessed 14 August 2020).

100 E.g., ECtHR (Plenary), 26/04/1979, *Sunday Times v the UK*, Appl. nr. 6538/74, 65; ECtHR, 22/2/1989, *Barfod v. Denmark,* Appl. nr. 11508/85, 29–32; ECtHR (Grand Chamber), 27/06/2017, *Satakunnan Markkinapörssi Oy and Satamedia Oy v. Finland*, Appl. nr. 931/13, 167.

101 E.g., *Sunday Times,* n. 99 repeated in *Ashby*, [31]; ECtHR (Fifth Section), 8/11/2012, *Peta Deutschland v. Germany,* Appl. nr. 43481/09, 46; ECtHR (First Section), 25/01/2007, *Vereinigung Bildender Künstler v. Austria*, Appl. nr. 68354/01, 26; ECtHR, 16/3/2000, *Özgür Gündem v. Turkey*, Appl. nr. 23144/93, 43; ECtHR, 23/4/1992, *Castells v. Spain*, Appl. nr. 11798/85, 42; ECtHR, 23/5/1991, *Oberschlick v. Austria,* Appl. nr. 11662/85, 57; ECtHR, 7/12/1976, *Handyside v. the UK,* Appl. nr. 5493/72, 49.

102 E.g., ECtHR (Fifth Section), 2/10/2008, *Leroy v France*, Appl. nr. 36109/03; *Vereinigung*, n. 100.

transformation. As it had already determined that the use would be recognized as a parody (when audience confusion might be pertinent), it is arguably that the degree of reproduction should not then be taken into consideration at the balancing stage. This raises serious doubts that a fair balance was struck between respective rights and interests in this scenario.

Despite being undeniably tricky, case law can already provide some guidance concerning how competing rights should be balanced. In *Deckmyn*, the CJEU identified the content of the defendant's expression as an important factor.[103] It is likely to be fair to restrict freedom of expression and favor the copyright holder if the protected work is used in an expression, which seeks to incite discrimination or another message contrary to human rights principles. *Funke Medien, Pelham* and *Spiegel Online* clarify that the nature of the expression is relevant, since national courts have less margin to curtail political or artistic expressions, which generally promote the public interest, than in the case of a purely commercial expression.[104] While these are all factors which match ECtHR jurisprudence, the CJEU is also developing its own factors. In *Pelham*, the Court considered the extent to which the defendant's use encroached upon the exclusive rights which stem from copyright.[105] This is a factor which the ECtHR has considered in cases balancing tangible property and freedom of expression, but not (yet) in copyright-related cases.

In *Appleby v. the UK*,[106] the ECtHR had to review whether a state could restrict freedom of expression of individuals distributing, amongst others, leaflets against the future development of a commercial complex on private property. The court recalled that freedom of expression does not automatically bestow the right to invade someone's own private property. However, there might be a positive obligation on States to protect the exercise of Convention rights by regulating property rights.[107] In this case, the ECtHR noted that the defendant had alternative ways to share their views, indicating that they could have sought permission from property owners rather than impinging upon others' property.[108] Whilst this might be helpful for *some* copyright cases, it is necessary to be cautious before applying it wholesale, not least because enactment of the parody exception recognizes that copyright licenses are not generally available for such uses.[109]

A further problem which should be flagged is the difficulty to preserve uses covered by copyright exceptions in the online environment. The InfoSoc Directive and CDSMD both identify the requirement of a fair balance between freedom of expression and copyright online.[110] In the CDSMD, the EU legislator has acknowledged the need to balance the rights of copyright owners and freedom of expression, and indicates that the exceptions for 'quotation, criticism, review', and for the purpose of 'caricature, parody or pastiche' must be safeguarded within the EU.[111] This step is to be applauded. While all these exceptions were optional under the InfoSoc Directive, the CDSMD now makes them mandatory.

103 *Deckmyn*, n. 42, 30–31.

104 *Funke Medien*, n. 13, 74; *Spiegel Online,* n. 13, 58, citing *Ashby Donald,* n. 31, 39; *Pelham*, n. 42, 35.

105 *Pelham*, n. 42, 38. Although some argue this factor is also to be found in the jurisprudence of the ECtHR. C. Geiger and E. Izyumenko, 'Towards a European "Fair Use" Grounded in Freedom of Expression' (2019) 35(1) *American University International Law Review*, 45.

106 ECtHR, *Appleby and Others v. The United Kingdom* (6/5/2003), App. nr.44306/98, 47.

107 *Ibid*.

108 *Ibid*., 48.

109 Jacques, n.19, 125. However, the ECtHR case law is particularly rich and other factors can be extrapolated such as the form of the expression, the standing of the speaker, the context of the expression. Jacques, n. 19, 142–151 as well as 211–224.

110 Recitals 3 and 31 InfoSoc Directive; Recitals 2 & 3 CDSMD; *Spiegel Online*, n. 13, 42.

111 Article 17.7 CDSMD.

Yet there is a real risk that, if provisions are badly transposed, the implementation of this legislation into national copyright law could actually be detrimental to the protection of the rights underpinning these important exceptions. Article 17 CDSMD raises particular concern. This provision requires online sharing platforms to use best efforts to use only licensed content.[112] Otherwise, platforms must adopt a mechanism to filter all uploaded content, so that unlicensed content is made unavailable to users, and/or disable or remove specific works if notified by the copyright owner.[113] It seems self-evident that any automated filtering, especially if this occurs before material can be uploaded, would jeopardize legitimate reliance upon these now-mandatory copyright exceptions. Consequently, it is evitable that filtering will constrain users' legitimate exercise of freedom of expression given that current technology focuses on similarities rather than being able to understand a use made in a specific context.[114]

In sum, implementation of Article 17 CDSMD presents very real practical difficulties. This is exacerbated by remaining issues concerning the interpretation of exceptions themselves. Despite the CJEU's existing guidance on the meaning of terms, including 'quotation' and 'parody', disagreements at the margins still persist.[115] Further guidance from the CJEU is warranted to ensure that national courts are able to strike a fair balance between all fundamental rights at stake in the copyright disputes which they are required to resolve, in both the on- and off-line worlds.

Conclusion

Despite both voicing a strong commitment to respecting *all* fundamental rights when applying copyright's rules, the EU legislator and CJEU appear to have taken conflicting positions. On the one hand, the CJEU relies increasingly upon human rights concepts to expand the reach of copyright exceptions, elevating them to the rank of user 'rights' (see the discussion in Chapter 13).[116] This reliance upon the established fundamental rights framework as a tool to balance copyright protection (property rights) and freedom of expression is to be applauded. Yet, the CJEU should extrapolate far more from ECtHR jurisprudence to ensure freedom of expression is preserved whenever copyright protection is enforced. On the other hand, although the EU legislator ostensibly recognized exceptions as users' rights,[117]

112 Article 17.1 CDSMD.

113 Article 17.4 (b)–(c) CDSMD.

114 A recent example is again the *Maya* case, where the campaign was removed from YouTube prior to any judicial decision, thus raising the concerns around online censorship. For the impact of current filtering measures on the parody exception: S. Jacques, K. Garstka, M. Hviid and J. Street, 'Automated Anti-Piracy Systems as Copyright Enforcement Mechanism: A Need to Consider Cultural Diversity' (2018) 40(4) *EIPR*, 218; S. Jacques, K. Garstka, M. Hviid and J. Street, 'An Empirical Study of the Use of Automated Anti-Piracy Systems and their Consequences for Cultural Diversity' (2018) 15(1) *Scripted*, 1; M. Senftleben, 'Institutionalized Algorithmic Enforcement – The Pros and Cons of the EU Approach to UGC Platform Liability' (2020) 14 *Florida International University Law Review*, forthcoming available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3565175 (last accessed 14 August 2020); S. McLeod Blyth, 'Copyright Filters and AI Fails: Lessons from Banning Porn (2020) 42(2) *EIPR*, 119–125; M. Senftleben, 'Bermuda Triangle: Licensing, Filtering and Privileging User-generated Content under the New Directive on Copyright in the Digital Single Market' (2019) 41(8) *EIPR*, 480–490.

115 See ECS opinion on article 17 interpreting 'pastiche' as a separate concept to parody, https://europeancopyrightsocietydotorg.files.wordpress.com/2020/04/ecs-comment-article-17-cdsm.pdf, 13 (last accessed 14 August 2020); Hudson, n. 72, *contra* Jacques, n. 19, 22–27.

116 *Funke Medien*, n. 13; *Pelham*, n. 42; *Spiegel Online*, n. 13.

117 Article 17(7) CDSMD.

provisions in the CDSMD seem likely to undermine the CJEU's progress in upholding fundamental rights. Article 17 of that directive gives online sharing platforms little incentive to develop an automated filtering system which can flag whether an unauthorized use is use permitted by virtue of a copyright exception, once a potential infringement has been detected. Inevitably, this divergence will creep into the domestic systems of EU Member States. National courts are likely to maintain a cautious approach, which favors the copyright holder until the CJEU provides further guidance. But the risk to fundamental freedoms is far greater than the number of national copyright court decisions might suggest: many users, e.g., finding their legitimate content removed automatically from an online platform based upon an algorithm simply, will not challenge this action in court. Here, the chilling effect is significant. Therefore, careful implementation which actually enables the fundamental values of a democratic society to be respected is an essential step to restore the legitimacy of copyright protection in the public's eyes.

References

Books

Griffiths J., 'Fair dealing after Deckmyn – The United Kingdom's Defence for Caricature, Parody or Pastiche' in M. Richardson and S. Ricketson (eds), *Research Handbook on Intellectual Property in Media and Entertainment* (Edward Elgar Publishing, Cheltenham, 2017), 64–103. ISBN: 978 1 78471 078 1

Griffiths J. and McDonagh L., 'Fundamental Rights and European Intellectual Property Law – The Case of Art 17(2) of the EU Charter' in C. Geiger (ed) *Constructing European IP: Achievements & New Perspectives* (Edward Elgar Publishing, Cheltenham, 2013), 75–93. ISBN 1781001642.

Jacques S., *The Parody Exception in Copyright Law* (Oxford University Press, Oxford, 2019). ISBN 9780198806936.

Voorhoof D., 'La Liberté d'expression est-elle un argument légitime en faveur du non-respect du droit d'auteur?' in Strowel A. and Tulkens F. (eds), *Droit D'auteur et Liberté D'expression: Regards Francophones, d'Europe et D'ailleurs* (Larcier, Brussels, 2006). ISBN 2804421074.

Journal articles

Anderson Q.C.D. and Murphy C., 'The Charter of Fundamental Rights: History and Prospects in Post-Lisbon Europe' (*EUI Working Paper Law* 2011/08).

Angelopoulos C. J., 'Freedom of expression and copyright: the double balancing act' (2008) 3 *IPQ*, 328–353.

Bénabou V.-L., 'Patatras! À propos de la décision du Conseil constitutionnel du 27 juillet 2006' (2006) *Propriétés intellectuelles*, nº 20, 240–242.

Birnhack M., 'Acknowledging the Conflict between Copyright Law and Freedom of Expression under the Human Rights Act' (2003) 24 *Entertainment Law Review*, 24.

Caron C., 'La nouvelle loi sous les fourches caudines du Conseil constitutionnel', (2006) *Communication – Commerce électronique*, 140.

Frosio G., 'Reforming the C-DSM: A User-based Copyright Theory for Commonplace Creativity' (2020) 51 *IIC*, 709–750, https://doi.org/10.1007/s40319-020-00931-0

Geiger C. and Izyumenko E., 'Copyright on the Human Rights' Trial: Redefining the Boundaries of Exclusivity through Freedom of Expression' (2014) 45(3) *IIC*, 316.

Geiger C. and Izyumenko E., 'The Constitutionalisation of Intellectual Property Law in the EU and the Funke Medien, Pelham and Spiegel Online Decisions of the CJEU: Progress, but Still Some Way to Go!' (2020) 51(3) *IIC*, 282–306.

Geiger C. and Izyumenko E., 'Towards a European "Fair Use" Grounded in Freedom of Expression' (2019) 35(1) *American University International Law Review*, 45.

Geiger C., Griffiths J., Senftleben M., Bently L. and Xalabarder R., 'Limitations and Exceptions as Key Elements of the Legal Framework for Copyright in the European Union: Opinion of the European Copyright Society on the CJEU Ruling in Case C-201/13 Deckmyn' (2015) 46(1) *IIC*, 93.
Griffiths J., 'Copyright Law after Ashdown – Time to Deal Fairly with the Public' (2002) 3 *IPQ*, 240.
Griffiths J., 'European Union Copyright Law and the Charter of Fundamental Rights – Advocate General Spuznar's Opinions in (C-469/17) Funke Medien, (C-476/17) Pelham GmbH and (C-516/17) Spiegel Online' (2019) 20 *ERA Forum*, 35.
Hudson E., 'The Pastiche Exception in Copyright Law: A Case of Mashed-Up drafting?' (2017) 4 *IPQ*, 346.
Jacques S., 'Are National Courts Required to Have an (Exceptional) European Sense of Humour?' (2015) 37(3) *EIPR* 134.
Jacques S., Garstka K., Hviid M. and Street J., 'An Empirical Study of the Use of Automated Anti-Piracy Systems and their Consequences for Cultural Diversity' (2018) 15(1) *Scripted*, 1.
Jacques S., Garstka K., Hviid M. and Street J., 'Automated Anti-Piracy Systems as Copyright Enforcement Mechanism: A Need to Consider Cultural Diversity' (2018) 40(4) *EIPR*, 218.
Koji T., 'International Human Rights and Beyond: From the Perspective of Non-derogable Rights' (2001) 12(5) *EJIL*, 917.
McLeod Blyth S., 'Copyright Filters and AI Fails: Lessons from Banning Porn' (2020) 42(2) *EIPR*, 119.
Rendas T., 'Spiegel Online: Do Copyright Exceptions and Fundamental Rights Make Easy Bedfellows' (2018) 13(1) *JIPLP*, 10.
Senftleben M., 'Bermuda Triangle: Licensing, Filtering and Privileging User-generated Content under the New Directive on Copyright in the Digital Single Market' (2019) 41(8) *EIPR*, 480.
Senftleben M., 'Institutionalized Algorithmic Enforcement – The Pros and Cons of the EU Approach to UGC Platform Liability' (2020) 14 *Florida International University Law Review*, forthcoming, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3565175
Sieghart P., 'The Lawful Rights of Mankind: An Introduction to the International Legal Code of Human Rights' (1985) 84 (4/5) *Michigan Law Review*, 83.
Synodinou T.E., 'Reflections on the CJEU's Judgment in the Spiegel Online Case' (2020) 42(2) *EIPR*, 129.
van Deursen S. and Snijders T., 'The Court of Justice at the Crossroads: Clarifying the Role for Fundamental Rights in the EU Copyright Framework' (2018) 49 *IIC*, 1080.

Other sources

L. Bently at the Conference on Owning Expression and Propertizing Speech (Luxemburg, 7/11/2019).
Cologne European Council, 'Presidency Conclusions' (3&4/06/1999) available at https://www.europarl.europa.eu/summits/kol1_en.htm
Décision du conseil constitutionnel (Cons. const., déc. n° 2006–540 DC, 27/6/2006, Loi relative au droit d'auteur et aux droits voisins dans la société de l'information.
ECS opinion on article 17 interpreting 'pastiche' as a separate concept to parody, https://europeancopyrightsocietydotorg.files.wordpress.com/2020/04/ecs-comment-article-17-cdsm.pdf
Opinion 2/94 on Accession by the Community to the ECHR [1996] ECR I-1759.
Voorhoof D., 'Studio 100 vs Greenpeace: wordt het auteursrecht misbruikt?' (14/09/2019) available at https://www.vrt.be/vrtnws/nl/2018/09/14/opinie-dirk-voorhoof-maya-de-bij-en-greenpeace/
World Health Organization made in 2015: https://www.who.int/news-room/q-a-detail/q-a-on-the-carcinogenicity-of-the-consumption-of-red-meat-and-processed-meat

Case law

Ashdown v Telegraph Group Ltd [2001] 2 WLR 967.
Ashdown v Telegraph Group Ltd [2001] EWCA Civ 1142.
C-36/05, *Commission v Spain* (26/10/2006) ECLI:EU:C:2006:672.
C-462/09, *Stichting de Thuiskopie v Opus Supplies Deutschland GmbH and Others* (16/06/2011) ECLI:EU:C:2011:397.
C-145/10, *Eva-Maria Painer v Standard VerlagsGmbH and Others* (1/12/2011) ECLI:EU:C:2011:798.
C-149/17, *Bastei Lübbe GmbH & Co. KG v Michael Strotzer* (18/10/2018) ECLI:EU:C:2018:841.
C-160/15, *GS Media BV v Sanoma Media Netherlands BV, Playboy Enterprises International Inc., Britt Geertruida Dekker* (8/9/2016) ECLI:EU:C:2016:644.

C-161/17, *Land Nordrhein-Westfalen v Dirk Renckhoff* (7/8/2018) ECLI:EU:C:2018:634, 41–43.
C-200/96, *Metronome Musik GmbH v Music Point Hokamp GmbH* (28/4/1998) ECLI:EU:C:1998:172.
C-201/13, *Johan Deckmyn and Vrijheidsfonds VZW v Helena Vandersteen and Others* (3/9/2014) ECLI:EU:C:2014:2132.
C-314/12, *UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH and Wega Filmproduktionsgesellschaft mbH* (27/3/2014), EU:C:2014:192, 47.
C-360/10, *Belgische Vereniging van Auteurs, Componisten en Uitgevers CVBA (SABAM) v Netlog NV* (16/2/2012) ECLI:EU:C:2012:85, 42–44.
C-403/08 and C 429/08, *Football Association Premier League and Others* (4/10/2011) ECLI:EU:C:2011:631.
C-435/12, *ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding* (10/4/2014) EU:C:2014:254.
C-457/11 *Verwertungsgesellschaft Wort (VG Wort) v Kyocera and Others* (C-457/11) *and Canon Deutschland GmbH* (C-458/11) *and Fujitsu Technology Solutions GmbH* (C-459/11) and *Hewlett-Packard GmbH* (C-460/11) *v Verwertungsgesellschaft Wort (VG Wort)* (27/6/2013) ECLI:EU:C:2013:426.
C-467/08, *Padawan SL v Sociedad General de Autores y Editores de España (SGAE)* (21/10/2010) ECLI:EU:C:2010:620.
C-469/17, *Funke Medien NRW GmbH v Bundesrepublik Deutschland* (29/7/2019) ECLI:EU:C:2019:623.
C-476/01, *Kapper* (29/4/2009) ECLI:EU:C:2004:261.
C-476/17, *Pelham GmbH and Others v Ralf Hütter and Florian Schneider-Esleben* (29/8/2019) ECLI:EU:C:2019:624.
C-484/14, *Tobias Mc Fadden v Sony Music Entertainment Germany GmbH* (15/9/2016), EU:C:2016:689.
C-510/10, *DR and TV2 Danmark A/S v NCB – Nordisk Copyright Bureau* (26/4/2012) ECLI:EU:C:2012:244.
C-516/17, *Spiegel Online GmbH v Volker Beck* (29/7/2019) ECLI:EU:C:2019:625.
C-70/10, *Scarlet Extended SA v Société belge des auteurs, compositeurs et éditeurs SCRL (SABAM)* (24/11/2011), ECLI:EU:C:2011:771.
C-73/07, *Tietosuojavaltuutettu v Satakunnan Markkinapörssi Oy and Satamedia Oy* (16/06/2008) ECLI:EU:C:2008:727.
ECtHR, 16/3/2000, *Özgür Gündem v Turkey*, Appl. nr. 23144/93, 43; ECtHR, 23/4/1992, Castells v. Spain, Appl. nr. 11798/85.
ECtHR, 22/2/1989, *Barfod v Denmark*, Appl. nr. 11508/85.
ECtHR, 23/5/1991, *Oberschlick v Austria*, Appl. nr. 11662/85.
ECtHR, 25/8/1998, *Hertel v Switzerland*, Appl. nr. 25181/94.
ECtHR, 7/12/1976, *Handyside v the UK*, Appl. nr. 5493/72.
ECtHR, *Appleby and Others v The United Kingdom* (6/5/2003), App. nr.44306/98.
ECtHR (5th section), 10/01/2013, *Ashby Donald and others v France*, Appl. nr. 36769/08.
ECtHR (5th Section), 2/10/2008, *Leroy v France*, Appl. nr. 36109/03.
ECtHR (5th Section), 8/11/2012, *Peta Deutschland v. Germany*, Appl. nr. 43481/09.
ECtHR (Grand Chamber), 27/06/2017, *Satakunnan Markkinapörssi Oy and Satamedia Oy v. Finland*, Appl. nr. 931/13.
ECtHR (Grand Chambre), 13/7/2012, *Mouvement Raëlien Suisse v Switzerland,* Appl. nr. 16354/06.
ECtHR (Plenary), 20/11/1989, *Markt Intern Verlag GmbH and Klaus Beermann v. Germany*, Appl. nr. 10572/83.
ECtHR (Plenary), 26/04/1979, *Sunday Times v the UK*, Appl. nr. 6538/74.
Sony/ATV Music Publishing LLC & Anor v WPMC Ltd & Anor [2015] EWHC 1853 (Ch) (01 July 2015).

15

ARTIFICIAL INTELLIGENCE AND TEXT AND DATA MINING

A copyright carol

Alain Strowel and Rossana Ducato

Abstract

Text and Data Mining (TDM) is a key tool for enabling artificial intelligence (AI) innovation. As the BlueDot project has demonstrated, the possibility to mine works and data to identify patterns and correlations might be crucial for solving pressing societal problems (e.g., the prediction of the Covid-19 outbreak). The importance of TDM has been understood by the European legislator, which has introduced two specifically tailored exceptions in the Copyright in the Digital Single Market Directive. This chapter argues that those new provisions still present several flaws that risk to stifle AI developments in Europe. The present chapter introduces an interpretative framework, based on the analysis of the infringement test, to rethink the rights of reproduction and extraction in line with the economic rationale of copyright and the database right. Furthermore, it makes suggestions to improve the TDM exceptions at national level. In conclusion, this chapter outlines the remaining challenges of private ordering and trade secrets for research and AI innovation.

Contents

Abstract 299
Introduction 300
The ghost of the copyright present 301
The ghost of the copyright past 307
A purposive test for assessing the infringement of the reproduction right 307
A traditional and a purposive interpretation of the extraction right 310
The ghost of the TDM yet to come 312
Unfinished business 312
Conclusions 313
References 314
Case law 316

Introduction

Text and Data Mining (TDM) has become an important tool for the development of artificial intelligence (AI) applications. In a nutshell, TDM uses techniques derived from natural language processing, machine learning, information retrieval, and knowledge management for the automated analysis of texts and digital content (structured and unstructured data), in order to extract information, identify patterns, discover new trends, insights or correlations. Considering its capacity to retrieve and analyze huge amounts of data, TDM can work as a technological enabler in several areas, from predictive algorithms in the health sector,[1] to sentiment analysis,[2] fact checking,[3] smart disclosure systems,[4] biometrical recognition systems,[5] etc.

Despite the advantages of TDM for research and for new tools and services, legal uncertainties under EU and national laws combined with the use of technical blocks and contractual restrictions are likely to hinder the practice of TDM in Europe.[6] In addition, TDM may clash with the IP rights if a work or a database qualify for protection under Directive 2001/29/EC ("InfoSoc Directive"),[7] Directive 2009/24/EC ("Software Directive"),[8] or Directive 96/9/EC ("Database Directive"),[9] respectively. Depending on the technique used, TDM may involve acts that can be prohibited by those protections: (1) the reproduction of copyright content; (2) the extraction of a substantial part of the database; (3) the reproduction and adaptation of a computer program. In order to solve legal uncertainties and compete with systems offering a favorable legal framework (e.g., Japan or the US), the EU legislator

1 Like the BlueDot project, which predicted the spread of Covid-19 virus well before the World Health Organization (WHO). This example is reported in Sean Flynn, Christophe Geiger, João Pedro Quintais, 'Implementing User Rights for Research in the Field of Artificial Intelligence: A Call for Action at International Level' (Kluwer Copyright Blog, 21 April 2020) <http://copyrightblog.kluweriplaw.com/2020/04/21/implementing-user-rights-for-research-in-the-field-of-artificial-intelligence-a-call-for-action-at-international-level/> accessed 31 July 2020.

2 Jalel Akaichi, Zeineb Dhouioui and Maria José López-Huertas Pérez, 'Text Mining Facebook Status Updates for Sentiment Classification' (17th International Conference on System Theory, Control and Computing (ICSTCC), Sinaia, 2013).

3 Stefano Guarino, Noemi Trino, Alessandro Chessa and Gianni Riotta, 'Beyond Fact-Checking: Network Analysis Tools for Monitoring Disinformation in Social Media' in H. Cherifi et al. (eds), *Complex Networks and Their Applications VIII. COMPLEX NETWORKS 2019. Studies in Computational Intelligence* (Springer 2019).

4 For an overview of the first examples of smart disclosure systems in the consumer and data protection domain, see Rossana Ducato and Alain Strowel, 'Limitations to Text and Data Mining and Consumer Empowerment: Making the Case for a Right to Machine Legibility' (2019) 50 *IIC* 649.

5 Wen-Kwang Tsao and others, 'A Data Mining Approach to Face Detection' (2010) 43 *Pattern Recognition* 1039; Shiv Naresh Shivhare and Sri Khetwat Saritha, 'Emotion Detection from Text Documents' (2014) 4 *International Journal of Data Mining & Knowledge Management Process* 51.

6 See the survey on content blocking conducted by LIBER (the Association of European Research Libraries) and the short report of March 2020 entitled 'Europe's TDM Exception for Research: Will It Be Undermined by Technical Blocking From Publishers?' <https://libereurope.eu/blog/2020/03/10/tdm-technical-protection-measures/> accessed 31 July 2020.

7 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19.

8 Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs, OJ L 111, 5.5.2009, pp. 16–22.

9 Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, OJ L 77, 27.3.1996, pp. 20–28.

introduced two *ad hoc* TDM exceptions in the 2019/790 Copyright in the Digital Single Market Directive ("CDSMD").[10]

This chapter intends to offer a critical overview of the intellectual property (IP) issues raised by TDM, arguing that the scope of the TDM exceptions to copyright, database and computer programs protections introduced in the CDSMD are still not sufficient to promote an adequate development of research, especially in the field of data-driven technologies (like AI applications). Pros and cons of the current TDM exceptions will be addressed. As a possible alternative, the present contribution advances a doctrinal proposal for a teleological interpretation of the rights of reproduction and extraction, in line with the rationale of copyright and database sui generis protection. It also sets forth recommendations and suggestions for the national transposition of the TDM exceptions in the CDSMD. In conclusion, the chapter outlines the challenges beyond copyright and the database right – namely private ordering and trade secrets protection – that remain to be addressed to unleash the full potential of TDM and AI research in Europe.

The ghost of the copyright present

As mentioned, the CDSMD has introduced two different TDM exceptions. The first one, enshrined in Article 3 CDSMD, specifically concerns TDM for scientific research purposes.[11] The provision is meant to provide an exception to: (1) the right of reproduction in copyright works,[12] databases,[13] and of on-demand press publications;[14] (2) the right of extraction of whole or a substantial part of databases covered by the sui generis (database) right.[15] The beneficiaries of such an exception are exclusively research organizations[16] and cultural heritage institutions[17] for pursuing non-commercial uses, as long as they have

10 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125. The Directive has introduced a definition of TDM in the following terms: "any automated analytical technique aimed at analysing text and data in digital form in order to generate information which includes but is not limited to patterns, trends and correlations" (Article 2(2) CDSMD). The definition is sufficiently broad to embrace the current TDM application panorama.

11 By "scientific research" it is meant research both in natural and human sciences (Recital 12). The content of such a notion appears to be quite vague, even when compared to the corresponding definition of scientific research in Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), OJ L 119, 4.5.2016, pp. 1–88. For an overview of the concept of scientific research in EU law, see EDPS, *Preliminary Opinion on Data Protection and Scientific Research*, 6 January 2020, <https://edps.europa.eu/sites/edp/files/publication/20-01-06_opinion_research_en.pdf> accessed 31 July 2020.

12 Article 2 InfoSoc Directive.

13 Article 5(a) Database Directive.

14 Article 15(1) CDSMD.

15 Article 7(1) Database Directive.

16 Research organizations are defined as "a university, including its libraries, a research institute or any other entity, the primary goal of which is to conduct scientific research or to carry out educational activities involving also the conduct of scientific research: (a) on a not-for-profit basis or by reinvesting all the profits in its scientific research; or (b) pursuant to a public interest mission recognized by a Member State; in such a way that the access to the results generated by such scientific research cannot be enjoyed on a preferential basis by an undertaking that exercises a decisive influence upon such organisation" (Article 2(1) CDSMD). Hospitals carrying out research may be included in such a definition (see Recital 12 CDSMD).

17 A cultural heritage institution is defined as "a publicly accessible library or museum, an archive or a film or audio heritage institution" (Article 2(3) CDSMD).

lawful access to the resources to be mined.[18] If all these conditions are met, the miner can perform the TDM activity and retain the copies of the works and subject-matter made according to the exception for the purposes of scientific research, including for the verification of research results.[19] The rightholders cannot prevent the exercise of the TDM exception for research purposes neither via contractual means,[20] nor via any security or integrity tool that they might apply to ensure the integrity of the network or databases where the works are hosted.[21]

The second TDM exception is contained at Article 4 CDSMD.[22] Such an exception is broader than the one at Article 3, both in terms of beneficiaries (anyone with lawful access to the resource), purpose (any TDM activity, whether non-profit or for profit), and object (the exception covers also the right to reproduction[23] and the right to adaptation of computer programs[24]). However, contrary to Article 3, the TDM exception in Article 4 can be restricted at the rightholder's will.[25]

The two TDM exceptions have some clear merit. First of all, the CDSMD clarifies that TDM does not necessarily interfere with copyright and neighboring rights.[26] Furthermore, some TDM activities performed on protected materials might not involve reproduction at all;[27] or, when they do, they might be satisfactorily exempted as temporary reproductions (Article 5(1) InfoSoc Directive)[28] or as reproductions for scientific research (Article 5(3)(a) InfoSoc Directive). This said, the interface between the TDM exception and the existing exceptions and limitations is complex. Hence, Articles 3 and 4 CSDMD are aimed at increasing the legal certainty about uses, including cross-border, of protected materials in case of TDM activity. Notably, both exceptions are mandatory for Member States to implement in their national laws.

However, the loosening of copyright stops short of permitting TDM. The exceptions introduced by the CDSMD appear in fact highly limited and, more broadly, the complex and often unclear drafting of some provisions does not facilitate their future interpretation and application.

18 By lawful access the CDSMD means "access to content based on an open access policy or through contractual arrangements between rightholders and research organisations or cultural heritage institutions, such as subscriptions, or through other lawful means […] Lawful access should also cover access to content that is freely available online" (Recital 14 CDSMD).

19 See Article 3(2) CDSMD.

20 Article 7(1) CDSMD.

21 See Article 3(3) CDSMD.

22 This exception was specifically added during the legislative process leading to the adoption of the Directive. In particular, see the version of the text dated 25 May 2018 (Council of the EU, Interinstitutional File: 2016/0280(COD), doc. 9134/18 <https://www.consilium.europa.eu/media/35373/st09134-en18.pdf> accessed 31 July 2020.

23 Article 4(1)(a) Software Directive.

24 Article 4(1)(b) Software Directive.

25 Since Article 7(1) CDSMD does not refer to Article 4.

26 Recital 9 CDSMD.

27 Jean-Paul Triaille, Alexandre de Meeûs d'Argenteuil and Emilie de Francquen, 'Study on the Legal Framework of Text and Data Mining (TDM)', (European Union Studies 2014) 31, <https://www.fosteropenscience.eu/sites/default/files/original/3476.pdf> accessed 31 July 2020; Irini Stamatoudi, 'Text and Data Mining' in Irini Stamatoudi (ed), *New Developments in EU and International Copyright Law* (Wolters Kluwer 2016); Maria Lillà Montagnani and Giorgio Aime, 'Il text and data mining e il diritto d'autore' (2017) *AIDA* 376, 379.

28 Provided that the copy is transient/incidental, forms an integral and essential part of a technological process and whose sole purpose is to enable: (a) a transmission in a network between third parties by an intermediary, or (b) a lawful use. Article 5(1) InfoSoc Directive.

First of all, the two exceptions are narrowly designed and both are subject to a number of limitations. Notably, Article 3 works only for two categories of beneficiaries (research organizations and cultural heritage institutions) and for a specific objective (research purposes).[29] This means that, for example, universities will in principle not be entitled to rely on this exception for the pursuit of other institutional goals, such as educational, administrative or governance purposes, nor will independent researchers carrying out projects in the public interest. Article 3 fails to recognize the reality of scientific research nowadays. First, the public benefit that can be pursued by research is something that goes beyond the walls of traditional research institutions. For instance, in light of the growing attention for behaviorally informed regulation, TDM could be used by policy makers to test draft policies and new legislative interventions. Journalists and fact-checkers could benefit from such an exception for researching sources and checking the authenticity of a news item. Commercial private actors, which play a decisive role in research and development in the field of AI, would be similarly excluded from the exception, whether they are Big Tech or start-ups. Furthermore, considering the growing level of job insecurity that characterizes academia, some researchers would be excluded from Article 3 when they mostly need to use those tools for remaining actively involved in research and visible as junior scholars between two short-term contracts. As a result, the narrow definition of research organizations risks penalizing a category of researchers when they are in a delicate professional situation.

Second, the status of the copies of the protected material realized during the TDM process is not entirely clear: they can be retained, but it is not spelled out whether such materials can be used for the purpose of scientific research (including further verification) by someone *external* to the organization. Recital 15 *in fine* refers to the possibility of relying on the exception for research provided for in Article 5(3)(a) InfoSoc Directive, but reproduction and extraction for scientific peer review (and joint research) are not necessarily exempted under the national implementations of the rather unspecified Article 5(3)(a). To eliminate any uncertainty and ensure the needs of research, Article 3 could have been drafted along the lines of Section 60d of the *Urheberrechtsgesetz*. The German rule explicitly establishes that the corpus created through TDM must be accessible to a circle of individuals for joint research or to third parties to check the quality of scientific research.[30]

29 Many scholars have argued that the exception for research should be broadened. For instance, Marco Caspers and Lucie Guibault, 'A Right to "Read" for Machines: Assessing a Black-box Analysis Exception for Data Mining' (ASIST, Copenhagen, October 2016); Thomas Margoni and Giulia Dore, 'Why We Need a Text and Data Mining Exception (But it is Not Enough)' (LREC, Portorož, May 2016) <https://interop2016.github.io/pdf/INTEROP-13.pdf> accessed 31 July 2020; Thomas Margoni and Martin Kretschmer, 'The Text and Data Mining Exception in the Proposal for a Directive on Copyright in the Digital Single Market: Why it is Not What EU Copyright Law Needs' (CREATe Blog, 25 April 2018), <https://www.create.ac.uk/blog/2018/04/25/why-tdm-exception-copyright-directive-digital-single-market-not-what-eu-copyright-needs/> accessed 31 July 2020; Reto Hilty and Heiko Richter, 'Position Statement of the Max Planck Institute for Innovation and Competition on the Proposed Modernisation of European Copyright Rules Part B Exceptions and Limitations (Art. 3–Text and Data Mining)' (2017) Max Planck Institute for Innovation & Competition Research Paper No. 17-02 <https://ssrn.com/abstract=2900110> accessed 31 July 2020; Christophe Geiger, Giancarlo F. Frosio and Oleksandr Bulayenko, 'The Exception for Text and Data Mining (TDM) in the Proposed Directive on Copyright in the Digital Single Market – Legal Aspects' (2018) Centre for International Intellectual Property Studies (CEIPI) Research Paper No 2018-02 <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3160586> accessed 31 July 2020; Eleonora Rosati, 'An EU Text and Data Mining Exception for the Few: Would it Make Sense?' (2018) 6 *Journal of Intellectual Property Law & Practice* 429.

30 See Christophe Geiger, Giancarlo F. Frosio and Oleksandr Bulayenko (n 29) 23.

Third, contrary to Article 4, Article 3 does not grant an exception to the reproduction or adaptation of software.[31] One might argue that a research exception for TDM is already recognized in the exception for "black box analysis" at Article 5(3) of the Software Directive.[32] However, this answer would not be fully satisfying. Indeed, under Article 5(3) of the Software Directive, the acts of "loading, displaying, running, transmitting or storing" can be exempted under the black box analysis test, which however does not extend to the rights of translation, adaptation, arrangement and any other alteration of a computer program and the reproduction of the results. Therefore, TDM for research purposes (Article 3 CDSMD) might eventually be performed on the ground of Article 5(3) of the Software Directive but it is not clear whether it can cover any translation or adaptation of the computer program. As an alternative, research organizations and cultural heritage institutions could rely on Article 4 CDSMD, but as we will see, the latter presents several shortcomings.

Article 4 is only apparently broader than the TDM research exception: the rightholder has the power to opt-out, by expressly reserving the right to make reproductions or extractions for TDM purposes in an appropriate manner.[33] As we have shown elsewhere,[34] many online platforms are already prohibiting TDM in their online terms of use, and are thus engaged in what is called private ordering. They are contractually prohibiting users from performing any act of reproduction on the website content or/and are using an exclusion protocol to impede crawling or indexing (e.g., the robot.txt protocol).[35] In light of this, the impact of Article 4 will be rather limited in enabling TDM over content available on the internet. Furthermore, the storage of the copies done for TDM purposes is confined to the activity of mining as such. Therefore, once the process is completed, all reproductions and extractions should in principle be deleted.

In addition, the scope of Article 4 seems to conflict with the already mentioned "black box exception" if the object of mining is software. Rather than a proper conflict, it creates a Schrödinger's paradox: the activity of observing, studying, and testing the functioning of a program could be limited by contract if we apply Article 4 CDSMD, and not be limited by contract if we consider the Software Directive.[36]

Both Articles 3 and 4 suffer from another set of limitations. To begin with, the three-step-test (on which see the discussion in Chapter 17), which is usually interpreted by the

31 As pointed out by Roberto Caso, 'Il conflitto tra diritto d'autore e ricerca scientifica nella disciplina del text and data mining della direttiva sul mercato unico digitale' (2020) Trento LawTech Research Paper No 38 <https://ssrn.com/abstract=3533401> accessed 31 July 2020.

32 On Article 5(3) of the Software Directive, see, Paul Goldstein and P. Bernt Hugenholtz, *International Copyright. Principles, Law, and Practice* (3rd edn, Oxford University Press 2013) 385. The decompilation exception (Article 6) adds another freedom to make reproductions and adaptations of software code when it is indispensable to obtain the interoperability information, which belongs to the "ideas" underlying a program.

33 Article 4(2) and Recital 18, CDSMD.

34 Ducato and Strowel (n 4). On the negative impact of such a provision on the development of AI creativity, see moreover Eleonora Rosati, 'Copyright as an Obstacle or an Enabler? A European Perspective on Text and Data Mining and its Role in the Development of AI Creativity' (2019) 2 *Asia Pacific Law Review* 198.

35 The use of the robot.txt will suffice to prohibit TDM on a content available online. P. Bernt Hugenholtz, 'The New Copyright Directive: Text and Data Mining (Articles 3 and 4)' (Kluwer Copyright Blog, 24 July 2019) <http://copyrightblog.kluweriplaw.com/2019/07/24/the-new-copyright-directive-text-and-data-mining-articles-3-and-4/> accessed 31 July 2020. The robot.txt is an exclusion protocol that content providers can insert into the root directory to prevent crawling or indexing activities on certain pages of their website. See <http://www.robotstxt.org/robotstxt.html> accessed 31 July 2020.

36 Article 8 Software Directive establishes that Article 5(3) cannot be overridden by contract.

Court of Justice of the European Union (CJEU), restrictively,[37] applies to them.[38] It is yet to be seen whether this test could limit the application of the TDM exceptions in practice. At first sight, most traditional copyright owners, for example, those of scientific or press publications, do not have a business model based on the revenues from TDM activities, and it is not likely they would be able to establish that the limited TDM exceptions conflict with the "normal exploitation" of their journals, books or newspapers. However, some publishers already offer paid-for TDM as value-added services. The result could be that the test works as an additional limit to the TDM exceptions.[39]

Further restrictions derive indirectly from the unsatisfactory regulation of the relationship between the TDM exceptions and technological protection measures (TPMs). Article 7(2) CDSMD establishes that the first, third and fifth subparagraphs of Article 6(4) of the InfoSoc Directive shall apply to Articles 3–6 CDSMD. TPMs are considered an important tool to protect the legitimate interests of the rightholders. However, they should ensure that users remain able to enjoy the copyright exceptions they benefit from (on the characterization of copyright exceptions as user rights, see the discussion in Chapters 12 and 13). Rightholders are primarily entrusted with the task of adopting "voluntary measures" (not defined in the InfoSoc Directive) to balance the protection of their entitlements and the regime of exceptions and limitations. In case of *inertia* by rightholders, Member States may kick in and establish appropriate measures.[40] However, the latter have not been consistently adopted or implemented by Member States.[41] Therefore, if the mechanism provided for in Article 6(4) of the InfoSoc Directive has proven to be largely ineffective over the past 20 years, it is reasonable to question why it should work for TDM now.[42] Here the CDSMD has missed an important occasion for harmonizing the framework and establishing in the black letter

37 See Case 5/08 *Infopaq International A/S v Danske Dagblades Forening* [2009] ECLI:EU:C:2009:465, para 58; Case 435/12 *ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding* [2014] ECLI:EU:C:2014:254, paras 24–26; Case 527/15 *Stichting Brein v Jack Frederik Wullems* [2017] ECLI:EU:C:2017:300, para 63.

38 Article 5(5) of Directive 2001/29/EC is recalled at Article 7(2) CDSMD. See, João Pedro Quintais, 'The New Copyright in the Digital Single Market Directive: A Critical Look' (2020) 1 *EIPR* 28.

39 Despite that several authors have argued in favor of a more flexible interpretation of the three-step-test that could prevent unbalanced restrictions to exceptions and limitations to copyright. For instance, Christophe Geiger, Jonathan Griffiths, Reto M. Hilty, 'Declaration on a Balanced Interpretation of the "three-step test" in Copyright Law' (2008) 39 *IIC* 707; Jonathan Griffiths, 'The "Three-Step Test" in European Copyright Law-Problems and Solutions' (2009) Queen Mary School of Law Legal Studies Research Paper No 31/2009 <https://ssrn.com/abstract=1476968> accessed 31 July 2020; Reto M Hilty, 'Declaration on the Three-Step Test: Where Do We Go from Here' (2010) 1 (83) *JITIPEC* <https://www.jipitec.eu/issues/jipitec-1-2-2010/2614/JIPITEC%202%20-%20Hilty-Declaration-Three-Step-Test.pdf> accessed 31 July 2020; Martin Senftleben, 'The International Three-step Test: A Model Provision for EC Fair Use Legislation' (2010) 1 (67) *JIPITEC* <https://www.jipitec.eu/issues/jipitec-1-2-2010/2605/JIPITEC%202%20-%20Senftleben-Three%20Step%20Test.pdf> accessed 31 July 2020; Christophe Geiger, Daniel Gervais and Martin Senftleben, 'The Three-step Test Revisited: How to Use the Test's Flexibility in National Copyright Law' (2013) 29 *American University International Law Review* 581; João Pedro Quintais, 'Rethinking Normal Exploitation: Enabling Online Limitations in EU Copyright Law' (2017) 6 *AMI-tijdschrift v oor auteurs-, media-en informatierecht*.

40 Severine Dusollier, 'Exceptions and Technological Measures in the European Copyright Directive of 2001' (2003) 34 *International Review of Industrial Property and Copyright Law* 62.

41 Margoni and Kretschmer (n 29).

42 Begoña Gonzalez Otero, 'Las excepciones de minería de textos y datos más allá de los derechos de autor: La ordenación privada contraataca' in Concepción Saiz García and Raquel Evangelio Llorca (eds), *Propiedad intelectual y mercado único digital europeo* (Tirant lo Blanc 2019).

of the law a mandatory prohibition for TPMs to override the exceptions.[43] (Or should it be considered that this particular issue was overblown in the commentaries, but was not often a problem in practice? This question, which goes beyond this contribution, remains open).

Finally, and most importantly, it has to be stressed that the two exceptions are not a tool designed to enable the access to content. On the contrary, the lawful access must pre-exist the TDM activity. Hence, the CDSMD leaves the problem open for those research organizations and cultural heritage institutions that do not have the means to afford paid subscriptions and for those citizens or entities that do not have "lawful access" to the content.[44] Moreover, when the resources are accessible online, it is not always easy for the miner to understand whether they are freely available. In the absence of machine-readable licenses, the miner working on the online corpus should check one by one the terms and conditions of each website before performing TDM. This kind of scenario appears to be impractical considering that TDM is carried out with automated tools and on a variety of sources (potentially subject to different national laws).[45]

The relationship between TDM and access to content is going to be a crucial knot to untangle for the research in AI domains. TDM is an enabling instrument for machine learning and AI. Large parts of the AI innovation rely on the quantity and quality of datasets available to train the algorithms. If the input data is scarce, incomplete, not-well curated and not representative, the resulting output will be poor and unreliable. Training datasets are fundamental not only to ensure the efficacy of the algorithm in relation to its proposed scope. Using TDM can also contribute to mitigating algorithmic bias and potential discrimination.[46] Several studies have demonstrated the failure of some predictive algorithms that ended up discriminating minorities, because the training dataset was based on Caucasian white population.[47] This trend is even more worrisome in the biomedical field, where the absence or the lack of access to representative datasets can exacerbate health disparities.[48] A TDM exception that allows training the algorithm with copyright works, permits the reverse engineering of the software and supports algorithmic accountability processes could help reduce the bias

43 As observed by Quintais (n 38). Within this context, there is however a positive aspect that has to be mentioned. The controversial fourth paragraph of Article 6(4) of the InfoSoc Directive, that provides for an exclusion for on-demand services to comply with the obligation to preserve the exceptions, is not expressly recalled by the CDSMD (Ted Shapiro and Sunniva Hansson, 'The DSM copyright directive: EU copyright will indeed never be the same' (2019) 41 *EIPR* 404; Quintais (n 38)). This means that the TDM exceptions for content made available online for interactive on-demand use shall benefit from the safeguard mechanisms under the first subparagraph of Article 6(4) of the InfoSoc Directive.

44 The risk that the lawful access requirement might exacerbate the competition gap between small and big research entities is stressed by Hilty and Richter (n 29) 23. The two Authors, in particular, advanced the proposal that research organizations should be able to carry out TDM on normalized datasets, even without having lawful access to the underlying content.

45 Although with reference to the French TDM provision, see Daniel Gervais, 'Exploring the Interfaces between Big Data and Intellectual Property Law' (2019) 10 *JIPITEC* <https://www.jipitec.eu/issues/jipitec-10-1-2019/4875> accessed 31 July 2020.

46 Exec. Office of the president, preparing for the future of artificial intelligence (2016) <https://obamawhitehouse.archives.gov/sites/default/files/whitehouse_files/microsites/ostp/NSTC/preparing_for_the_future_of_ai.pdf [https://perma.cc/YN5X-KKAX> accessed 31 July 2020.

47 For an overview, see Eli M. Cahan et al., 'Putting the Data before the Algorithm in Big Data Addressing Personalized Healthcare' (2019) 2 *npj Digital Medicine* 78.

48 Heidi Ledford, 'Millions of Black People Affected by Racial Bias in Health-care Algorithms' (2019) 574 *Nature* 608.

effect.[49] Unfortunately, the restriction on access, enforced by contract, is likely to hinder such an ambitious (and needed) purpose in the AI field.

The ghost of the copyright past

Regrettably, the CDSMD is a missed opportunity to regulate the TDM phenomenon in a clear and effective way. From the previous analysis, it appears that some conditions for TDM activity are too narrow (in terms of its beneficiaries, Article 3 is quite limited) or too vague (the pre-condition of "lawfully accessible" content gives too much room for limiting TDM initiatives by contract or by TPMs). Considering the intrinsic boundaries of the two TDM exceptions in the CDSMD, one might legitimately wonder whether the legislative intervention was *too little, too late*.

As argued elsewhere,[50] rather than trying to add new exceptions to exempt many digital copies that should not fall under the reproduction and extraction right, a purposive interpretation of the conditions for an infringement would have represented a viable and less costly alternative to follow. This doctrinal proposal, coupled with a normative intervention on specific provisions of the copyright/sui generis right framework (notably a serious rethinking of the regulation of TPMs) could fill the gaps of the brand-new TDM exceptions.

A purposive test for assessing the infringement of the reproduction right

That copyright might extend to the TDM process contradicts its own rationale: the promotion and dissemination of information and knowledge. When it appeared more than three centuries ago, copyright was not only intended to remunerate authors (and publishers) for creating (and disseminating) works, but was also aimed at favoring public learning. This is not only true for the copyright systems rooted within an incentive-based view; the same *raison d'être* is at the origin and core of the continental *droit d'auteur* systems as well.[51] Copyright, in fact, on both sides of the Atlantic, does not cover facts (including correlations), information or other elements considered as non-protectable ideas.

At the same time, it cannot be denied that digital technologies and the ubiquity of copies have seriously expanded the "footprint" of copyright without help from the legislator[52]: it has just happened through the extension of the existing synthetic and technology-neutral notion of reproduction[53] (for a thorough discussion of this right, see Chapter 7). However,

49 Amanda Levendowski, 'How Copyright Law Can Fix Artificial Intelligence's Implicit Bias Problem' (2018) 93 Washington Law Review 579.

50 These thoughts were first elaborated in Alain Strowel, 'Reconstructing the Reproduction and Communication to the Public Rights: How to Align Copyright with Its Fundamentals' in P. Bernt Hugenholtz (ed), *Copyright Reconstructed Rethinking Copyright's Economic Rights in a Time of Highly Dynamic Technological and Economic Change* (Wolters Kluwer 2018).

51 See the review of the history and principles of copyright in both legal traditions: Alain Strowel, *Droit d'auteur et copyright, Divergences et convergences* (Bruylant et Paris, L.G.D.J. 1993). More recently, Alain Strowel, 'Droit d'auteur et copyright. Convergences des droits, régulation différente des contrats', *Mélanges en l'honneur du Professeur André Lucas* (LexisNexis 2014).

52 In many jurisdictions, the notion of reproduction came to cover many ephemeral and transient copies just by application of the existing law. Sometimes, as in Article 2 of the InfoSoc Directive, the legislator has made it clear that the reproduction right encompasses 'temporary' reproductions "by any means and in any form, in whole or in part", thus expanding copyright's reach in the technological environment.

53 The principle of technological neutrality relies on the text of Article 2 InfoSoc Directive, which refers to copies 'by any means and in any form'. The technology-neutral definition of reproduction has allowed its

the development of the digital world has raised the expectations for economic return for rightholders in a manner that, in our opinion, is not commensurate to the economic fundamentals that apply to digital uses, especially on the internet. The explosion of digital copies cannot translate to the same increase of value that would be generated by additional non-digital copies: many copies have no value in themselves and are solely the tools or basic ingredient for value-adding services (for instance, copies made for detecting meaningful occurrences of words). The technological-neural notion of reproduction is ill-suited to the digital realm because of the massive technology-driven copies that lack any commercial value and the inflated hopes generated by the expectations of rights owners who tend to believe that any reproduction, even without economic reason, should be covered by copyright.

Therefore, a way to put this drift back on the (copy)right track could pass through a qualitative test, i.e., distinguishing between the copies which are infringing from those which do not infringe.

As known, a communication must be addressed 'to a public' in order to fall under copyright (Article 3 InfoSoc Directive; on the right of communication to the public, see Chapter 9). The definition of reproduction, in contrast, does not refer to any public and to the possibility for it to access the work (Article 2 InfoSoc Directive). However, that does not mean that no public or audience is required for an infringement of the reproduction right. We have argued elsewhere[54] that EU law has not yet defined the test for an *infringement* of the reproduction right (although it contains a statutory definition and a case law delineation of the reproduction right)[55] (on the proof of copyright infringement, see the discussion in Chapter 11). This gap permits to design and support an infringement test requiring that for the reproduction right to be infringed the work should be used *as a work* and perceived *as a work* by a public.

Such use as a work does not exist in the case of TDM nor in other cases involving copying for checking conduct (e.g., to identify plagiarism) or for deriving information (e.g., on patterns or trends). As put by the 2nd Circuit in the *Authors Guild v. Google, Inc.* U.S. case 'the purpose of [defendant]'s copying of the original copyrighted books is to make available

application outside the printing press context where it originated. In parallel to the expansion of the notion of work, which applies to new products of technology and creativity (films, computer games, etc.), the notion of copy was able to adapt to new technologies so that it now applies to new ways of making copies (for example, to various digital copies, but also non-digital copies such as canvas transfer). In that sense, the legal notion is neutral or independent from the technology involved. There are, however, other ways to define the principle of technological neutrality. For a short and recent discussion of its meanings, see Kendrick Lo, 'What is Technological Neutrality (in Copyright) Anyway? Revisiting CBC v. SODRAC' (CanLII Connects, 1 August 2017) <http://canliiconnects.org/en/commentaries/46245> accessed 31 July 2020.

54 See Strowel (n 50).

55 On the contrary, the EU legislation specifically defines the conditions for a design or trade mark infringement, and the criterion for infringement refers to the confusing effect or impression on a consumer or a user. For example, Article 10 of the Design Regulation (Council Regulation (EC) No. 6/2002 of 12 December 2001 on Community designs, OJ No. L 3/1, 5 January 2002) provides that 'The scope of the protection conferred by a Community design shall include any design which does not produce on the informed user a different overall impression'. There is no similar provision on infringement in the copyright directives. However, *Infopaq* and other decisions of the CJEU could be read as providing some indications as to when there is a copyright infringement. This case law requires to assess the substantial similarities from the point of view of a public. See also Julien Cabay, 'L'objet de la protection du droit d'auteur: Contribution à l'étude de la liberté de création' (DPhil thesis, Université Libre de Bruxelles 2016) 299. However, this case law leaves enough room for adding (and proposing) a requirement to use the work as a work.

significant information *about those books*, permitting a searcher to identify those that contain a word or term of interest' (emphasis added).[56]

In addition, this purposive analysis of the act of copying leading to a non-infringing conclusion mirrors the analysis under the fair use doctrine in U.S. law (Article 107 U.S. Copyright Act, on which see the discussion in relation to parody in Chapter 16) which leads to the conclusion that highly transformative uses are excluded from the scope of exclusivity.[57] That TDM use can be exempted where the copyright system envisages an open clause is an additional argument for leaving the making of intermediate copies, such as those made during the TDM process, out of copyright's reach. In the absence of a fair use clause, the requirement of "use as a work" in the infringement test can help reaching the same outcome in the EU. Indeed, when acts of reproduction are carried out for the purpose of search and TDM, the work, although it might be reproduced in part, is not used as a work: the work only serves as a tool or data for deriving other relevant information. The expressive features of the work are not used, and there is no public to enjoy the work, as the work is only an input in a process for searching a corpus and identifying occurrences and possible trends or patterns.

Even if the new Article 4 CDSMD more clearly allows for some commercial activities to be exempted, the analysis based on "the use of the work as a work" requirement for copyright infringement remains useful to assess the copyright-relevance of the acts performed during the TDM process. In addition, the infringement threshold remains necessary to address other types of copying for the purpose of providing information which are not expressly exempted. These include copies made for checking mistakes and plagiarism, copies to use or repair a protected work with a utilitarian function, non-transient copies made on proxy servers, smart disclosure systems and many other intermediate and non-expressive uses that could be considered.

When datasets which are original in the selection or arrangement of elements or which contain original works are mined so as to find correlations, patterns and links between information points, the dataset or its original elements are not used as works for a public. This is why searching for correlations or information in the many available online sources should not constitute a copyright infringement, even if partial copies are made. For instance, the BlueDot project, which warned about the Coronavirus outbreak well before the WHO did, analyzed "a variety of information sources, including chomping through 100,000 news reports in 65 languages a day"[58] and, after comparing the information with flight records, was able to identify patterns between the propagation of the virus and the traveling routes of people. Similarly, no infringement is committed when TDM tools are used to mine, copy,

56 *Authors Guild v. Google, Inc.* No. 13-4829-cv (2d Cir. Oct. 16, 2015). On April 18, 2016, the U.S. Supreme Court denied the petition for a writ of certiorari, leaving the Second Circuit ruling in Google's favor intact. To make available parts of the corpus of books, Google has scanned the digital copies and established a publicly available search function, the Ngram tool.

57 However, Lemley and Casey warned that courts might not treat machine copying as fair use, since machine learning systems "rarely transform the databases they train on; they are using the entire database, and for a commercial purpose at that". Mark A. Lemley and Bryan Casey, 'Fair Learning' (2020) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3528447> accessed 31 July 2020.

58 Mark Prosser, 'How AI Helped Predict the Coronavirus Outbreak Before It Happened' (SingularityHub, 5 February 2020) <https://singularityhub.com/2020/02/05/how-ai-helped-predict-the-coronavirus-outbreak-before-it-happened/> accessed 31 July 2020. This example is quoted in Sean Flynn, Christophe Geiger, João Pedro Quintais, Thomas Margoni, Matthew Sag, Lucie Guibault, and Michael Carroll, 'Implementing User Rights for Research in the Field of Artificial Intelligence: A Call for International Action' (2020) 7 *EIPR* 393.

and compare original press articles so as to identify the spreading of disinformation on the social networks.

A TDM activity might also be conducted within datasets that qualify as databases under the Database Directive (Article 1(2)). The discussion around the permissibility of TDM in this case is framed within the database rights and the limitations and exceptions to the various rights contained in the Database Directive, as will be discussed in the next section.

A traditional and a purposive interpretation of the extraction right

It is not only the reproduction right within copyright the infringement of which can be interpreted as limited to the output-copies. One can propose a similar reading of the extraction right under the Database Directive, arguing that the TDM acts are not to be intended as infringing the sui generis (database) right.

The conditions for infringing the extraction right are not expressly mentioned in the Database Directive (in the same way that the assessment test for the infringement of the reproduction right is ignored by the EU legislator). To neglect the criteria for assessing an infringement of the extraction right would constitute a similar mistake.

The infringement test can be reconstructed at the light of the purpose of the right as interpreted in CJEU case law. For the CJEU, "the objective" is to protect the maker of the database "against the unauthorised *appropriation of the results of that investment* by acts which involve, in particular, *the reconstitution* by a user or a competitor of that database or a substantial part of it at a fraction of the cost needed to design it".[59] If TDM could be prohibited, the extraction right would go beyond "the appropriation of the results" as TDM is a use of the data included in the database, it does not involve "the reconstitution" of (part of) the database in a competing product. TDM is to be considered as a form of "consultation" of the content of a database, and as underlined by the CJEU, the protection granted by Article 7 "does not, however, cover consultation of a database".[60] For the Court, "where the maker of a database makes the contents of that database accessible to third parties, even if he does so on a paid basis, his sui generis right does not allow him to prevent such third parties from consulting that database for information purposes".[61]

The notion of "appropriation" used by the CJEU should not lead to a "property" protection: this is a common IP misunderstanding, derived from the wrong analogy with tangible property. "Propertization" of IP right happens when it is solely conceived as a *right on* a subject matter, while all rights have to be seen and grasped as rights defining the relations between the rights owner and third parties. Those relations are always determined in the infringement test. The sui generis right is based on a misappropriation or unfair competition rationale (Recital 39 of the Database Directive indicates that it "seeks to safeguard the position of makers of databases against misappropriation"). In the case of a database, the propertization of the sui generis right resulting from the absence of a correct analysis of the

59 Case 304/07 *Directmedia Publishing GmbH v. Albert-Ludwigs-Universität Freiburg* [2008] ECLI:EU:C:2008:552, para 33 (emphasis added), relying on the earlier decisions in Case 46/02 *Fixtures Marketing v Oy Veikkaus Ab* [2004] ECLI:EU:C:2004:694, para 35; Case 203/02 *The British Horseracing Board and Others v William Hill Organisation Ltd* [2004] ECLI:EU:C:2004:695, paras 32, 45, 46 and 51; Case 338/02 *Fixtures Marketing Ltd v Svenska Spel* AB [2004] ECLI:EU:C:2004:696, para 25; and Case 444/02 *Fixtures Marketing v Organismos prognostikon agonon podosfairou* [2004] ECLI:EU:C:2004:697, para 41.

60 *Directmedia Publishing GmbH v. Albert-Ludwigs-Universität Freiburg* (n 59), para 51 relying on *The British Horseracing Board and Others v William Hill Organisation Ltd* (n 59), para 54.

61 *Directmedia Publishing GmbH v. Albert-Ludwigs-Universität Freiburg* (n 59), para 53.

infringement conditions must be opposed more cogently than in other cases as it leads to the creation of a property right on data. And this is precisely what the Directive seeks to avoid: "the right to prevent unauthorized extraction and/or re-utilisation does not in any way constitute an extension of copyright protection to mere facts or data" (Recital 45). If TDM applied to databases could be prevented by the extraction right, it would amount to a form of appropriation of mere facts and data, contrary to the Directive's objective which, according to Recital 46, "should not give rise to the creation of a new right in the works, data or materials themselves".

In addition, one has to consider whether TDM could fall among the lawful uses recognized by the Database Directive at Articles 6(1) and 8. These rights are expressly protected against conflicting contractual provisions (Article 15 Database Directive). Article 6(1) allows the lawful user to make a copy of the database in order to access the contents or to allow a "normal use" of the same. It would be coherent with the rationale of the Directive to consider TDM as performing a normal use of the database. Interestingly, the "normal use" argument was followed in the national track leading to the CJEU *Ryanair* case.[62] The Dutch appeal court considered that the comparison of the flights prices by an online intermediary involved a reproduction of the information from the Ryanair website, but it amounted to a "normal use" of the database protected by copyright, thus any contrary contractual provision was deemed unenforceable.[63]

Moreover, in many cases, the TDM tool would likely extract and mine information from an insubstantial part of a database, without conflicting with the normal exploitation of the database or unreasonably prejudicing the legitimate interests of the maker or the author of the works or subject-matter contained in the database. Article 9(b) Database Directive also shows that the extraction right is not intended to control the TDM or other data analysis processes, only the output in the form of a publication, as the exception "in the case of extraction for the purposes of […] scientific research" requires that "the source is indicated" (this condition arguably will only apply to the publication resulting from the extraction). Similarly, the way the research exception is designed for copyright under Article 5(3)(a) InfoSoc Directive shows that the EU legislator has not considered that copyright could apply to the copies made during the process of consultation. The exception under Article 5(3)(a) only targets the output-copies, those that are addressed to the public as it provides with a special requirement to indicate "the source, including the author's name" (vice versa, process-copies such as those during the TDM activity are purely internal, and thus cannot be subject to a recognition by a human and to an obligation to credit the source).

In sum, the Database Directive leaves some room to mine text and data, as TDM does not constitute a misappropriation of the contents leading "to reconstituting a substantial part of the content". It is a form of consultation that cannot, and should not, be prohibited or impeded. The Directive also expressly protects statutory permitted uses from contrary contractual provisions. This reading implies that, contrary to what a superficial reading of the new TDM provisions might suggest, the CDSM Directive broadens once more the reproduction and extraction rights by implying that the TDM process (involving copies and extractions) involves infringing copies and acts. However, we consider that this is not what the EU legislator intended in the InfoSoc and Database Directives.

62 Case 30/14, *Ryanair Ltd v PR Aviation BV* [2015] ECLI:EU:C:2015:10, para 21, referring specifically to the Dutch Copyright Law.

63 However, the CJEU noted that the existence of the sui generis right was not proven in the case: as a consequence, the prohibition of contractual overriding did not apply.

The ghost of the TDM yet to come

There is still space for enabling a TDM exception to unleash the potential of AI research in Europe. On the one hand, the purposive analysis of the conditions for infringing the reproduction and extraction rights presented in this chapter provides legal ground for arguing that TDM activities which do not result in a perceptible or competing output-copy are admissible, even without *ad hoc* exceptions. On the other hand, at the time of writing the CDSMD has yet to be transposed into national legislation (the deadline is 7 June 2021). It is thus desirable that, during this phase, national legislators improve the two TDM exceptions *cum grano salis*. This is actually possible: Article 25 CDSMS provides that Member States might adopt "broader provisions, compatible with the exceptions and limitations provided for in Directives 96/9/EC and 2001/29/EC, for uses or fields covered by the exceptions or limitations provided for in this Directive"[64] "as long as they do not limit the scope of the mandatory exceptions or limitations"[65] introduced with the CDSMD. Therefore, it is reasonable to consider that some Member State might be more willing to recognize wider TDM exceptions for pursuing public or constitutional interests, such us the freedom of scientific research (Article 13 of the EU Charter of Fundamental Rights[66]; on the interplay between copyright and fundamental rights, see the discussion in Chapters 2 and 14). Just to mention a few possible instances, TDM can play a decisive role for: independent researchers who are not affiliated to universities or cultural heritage institutions; journalists researching sources and checking the authenticity of a news item; policy makers testing draft policies and new legislative interventions. Furthermore, if one goal of the TDM exceptions is to create the conditions for not putting national businesses at a competitive disadvantage compared with other international players, Members States might then consider granting a broader exception to commercial private actors, which play a decisive role in research and development in the field of AI. Furthermore, during the national transposition phase, Member States should remove any doubt about the possibility to share the TDM-generated *corpora* with other researchers, at least for verification purposes[67] and specifically allow TDM on software for research purposes.

Unfinished business

Whether we follow the purposive interpretations of the rights of reproduction/extraction or we embrace the (limited) TDM exceptions, some inherent obstacles remain. First of all, the doctrinal and legislative solutions work as long as the object of the mining is protected by copyright or the sui generis right. As established in *Ryanair*, if a database is not protected according to the Database Directive, the owner can contractually limit the use of the database (restricting the "legitimate uses" that the beneficiary could have enjoyed under the IP regime).[68] Therefore, from a practical perspective, it might be even counterproductive for the producer having acquired the copyright or for the maker of a database to claim their exclusive rights: the contract offers a more flexible and efficient solution to enforce their economic interests.

64 Article 25 CDSMD.

65 Recital 5 CDSMD.

66 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, pp. 391–407.

67 Along the lines of Section 60d of the *Urheberrechtsgesetz*.

68 *Ryanair Ltd v PR Aviation BV* (n 62), para 39.

Private autonomy, however, is not absolute and can be limited, especially when it results in the abuse of rights.[69] For example, the principle of transparency in consumer and data protection law might prevent a "dictatorship" of contract, and legitimize TDM in smart disclosure systems.[70] If the latter are meant to automatize the reading and analysis of contractual terms to spot potential risks or unfair conditions, there is no reason to impede the crawling of the webpage hosting the contract. However, this kind of analysis entails a case-by-case evaluation and, in most of the circumstances, it will be a matter of national contract law. As a result, solutions may vary and a TDM conducted over cross-border resources would entail huge analysis and transaction costs.

A second order of limitations comes from trade secret protection. The owner of the AI tool might refuse access to the training set, output data, and/or the algorithm, thus impeding the mining of text and data (including the code). This issue is of course not addressed in the CDSMD, but it is closely linked with the TDM debate and its possible use to verify and to explain the 'black box' nested in many AI tools relying on machine learning. TDM can help build an AI system, but some form of data retrieval and analysis can as well work as an ex-post tool to implement the explainability requirement.[71] However the data used to train algorithms will often: (i) be secret, (ii) have an economic value because it is secret, and, (iii) be the subject of reasonable steps to keep it secret. As a result, such data may qualify for trade secret protection under Article 2 Trade Secrets Directive.[72] Sometimes, private developers of AI tools, such as the COMPAS system used to assess the likelihood of recidivism in criminal cases, claim that the details on how their tools work are trade secrets and refuse granting access to the confidential information.[73] This access issue might mirror the problem of lawful access to copyright works for TDM, such as in the case of the BlueDot project.[74] Further research is needed to conclude that a carve-out in the trade secrets protection should be added in order to allow some data analysis and reduce the risk of bias or discrimination. This could be an opportunity to align the TDM and research exceptions in different IP fields.

Conclusions

The main reason behind the introduction of the CDSMD TDM exceptions was the reduction of legal uncertainties and the diverging national implementations of existing exceptions (including those for research, private copying, temporary reproduction), in order to remove possible "interpretative" obstacles for European research organizations. In this chapter, we

69 For a comparative overview of the doctrine of 'abus du droit' see Jan Peter Schmidt, 'Good Faith and Fair Dealing' in Nils Jansen, Reinhard Zimmermann (eds) *Commentaries on European Contract Laws* (Oxford University Press, 2018).

70 Ducato and Strowel (n 4).

71 This requirement that the processes for designing the AI tool need to be transparent and its decisions explainable to the extent possible is underlined in most ethical guidelines on AI. See, for example, High-Level Expert Group on AI, 'Ethics Guidelines for Trustworthy Artificial Intelligence' (2019) <https://ec.europa.eu/digital-single-market/en/news/ethics-guidelines-trustworthy-ai> accessed 31 July 2020.

72 Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure, OJ L 157, 15.6.2016, pp. 1–18.

73 Rebecca Wexler, 'Life, Liberty, and Trade Secrets: Intellectual Property in the Criminal Justice System' (2018) 70 *Stanford Law Rev*iew 1343, referring among other to the case State v. Loomis, 881 W.W.2d 749, 760 (Wis. 2016), cert. denied, 137 St. Ct. 2290 (2017).

74 See also Sean Flynn, Christophe Geiger, João Pedro Quintais, Thomas Margoni, Matthew Sag, Lucie Guibault, and Michael Carroll (n 58).

have raised several doubts about the potential of the newly crafted TDM exceptions to reach a fair balance between the promotion of innovation in research (including outside research organizations) and the interests of some rightholders or "owners" of datasets. A seen above, a purposive analysis of the conditions for infringing the reproduction and extraction rights might actually solve many of the shortcomings and loopholes we have identified. Such an interpretation can still be followed and applied by courts even when the TDM exceptions are implemented in national copyright and database laws.

All this said, we do not propose throwing the baby out with the bathwater. The phase of national transposition might indeed represent a valuable occasion for Member States to create a more favorable TDM environment, to improve the CDSMD exceptions (and potentially to induce more competition that would attract researchers and businesses relying on the new data analysis methods). In the context of scientific research, it would be desirable that this discussion on the implementation of the exceptions be coupled with a critical assessment of TDM in the context of Open Access for scientific publications and Open Data for Open Science. Such policies, in particular, should expressly prevent private ordering measures (contracts and TPMs, for instance) restricting TDM on the content of databases and TDM-generated corpora.

References

Akaichi J, Dhouioui Z, López-Huertas Pérez M, 'Text mining Facebook status updates for sentiment classification' (17th International Conference on System Theory, Control and Computing (ICSTCC), Sinaia, 2013).

Cabay J, 'L'objet de la protection du droit d'auteur: Contribution à l'étude de la liberté de création' (DPhil thesis, Université Libre de Bruxelles 2016).

Cahan E, et al., 'Putting the Data before the Algorithm in Big Data Addressing Personalized Healthcare' (2019) 2 *npj Digital Medicine* 78.

Caso R, 'Il conflitto tra diritto d'autore e ricerca scientifica nella disciplina del text and data mining della direttiva sul mercato unico digitale' (2020) Trento LawTech Research Paper No 38 <https://ssrn.com/abstract=3533401> accessed 31 July 2020.

Caspers M, Guibault L, 'A Right to 'Read' for Machines: Assessing a Black-box Analysis Exception for Data Mining' (ASIST, Copenhagen, October 2016).

Ducato R, Strowel A, 'Limitations to Text and Data Mining and Consumer Empowerment: Making the Case for a Right to Machine Legibility' (2019) 50 *IIC* 649.

Dusollier S, 'Exceptions and Technological Measures in the European Copyright Directive of 2001' (2003) 34 *International Review of Industrial Property and Copyright Law* 62.

EDPS, *Preliminary Opinion on Data Protection and Scientific Research*, 6 January 2020, <https://edps.europa.eu/sites/edp/files/publication/20-01-06_opinion_research_en.pdf> accessed 31 July 2020.

Flynn S, Geiger C, Quintais J, 'Implementing User Rights for Research in the Field of Artificial Intelligence: A Call for Action at International Level' (Kluwer Copyright Blog, 21 April 2020) <http://copyrightblog.kluweriplaw.com/2020/04/21/implementing-user-rights-for-research-in-the-field-of-artificial-intelligence-a-call-for-action-at-international-level/> accessed 31 July 2020.

Flynn S, Geiger C, Quintais JP, Margoni T, Sag M, Guibault L, Carroll M, 'Implementing User Rights for Research in the Field of Artificial Intelligence: A Call for International Action' (2020) 7 *EIPR* 393.

Geiger C, Frosio G, Bulayenko O, 'The Exception for Text and Data Mining (TDM) in the Proposed Directive on Copyright in the Digital Single Market – Legal Aspects' (2018) Centre for International Intellectual Property Studies (CEIPI) Research Paper No 2018-02 <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3160586> accessed 31 July 2020.

Geiger C, Gervais D, Senftleben M, 'The Three-step Test Revisited: How to Use the Test's Flexibility in National Copyright Law' (2013) 29 *American University International Law Review* 581.

Geiger C, Griffiths J, Hilty RM, 'Declaration on a Balanced Interpretation of the "Three-step Test" in Copyright Law' (2008) 39 *IIC* 707.

Gervais D, 'Exploring the interfaces between big data and intellectual property law' (2019) 10 JIPITEC <https://www.jipitec.eu/issues/jipitec-10–1-2019/4875> accessed 31 July 2020.

Goldstein P, Hugenholtz B, *International Copyright. Principles, Law, and Practice* (3rd edn, Oxford University Press 2013).

Gonzalez Otero B, 'Las excepciones de minería de textos y datos más allá de los derechos de autor: La ordenación privada contraataca' in Concepción Saiz García and Raquel Evangelio Llorca (eds), *Propiedad intelectual y mercado único digital europeo* (Tirant lo Blanc 2019).

Griffiths J, 'The "Three-Step Test" in European Copyright Law-Problems and Solutions' (2009) Queen Mary School of Law Legal Studies Research Paper No 31/2009 <https://ssrn.com/abstract=1476968> accessed 31 July 2020.

Guarino S, Trino N, Chessa A, Riotta G, 'Beyond Fact-Checking: Network Analysis Tools for Monitoring Disinformation in Social Media' in H. Cherifi et al. (eds), *Complex Networks and Their Applications VIII. COMPLEX NETWORKS 2019. Studies in Computational Intelligence* (Springer 2019).

High-Level Expert Group on AI, 'Ethics Guidelines for Trustworthy Artificial Intelligence' (2019) <https://ec.europa.eu/digital-single-market/en/news/ethics-guidelines-trustworthy-ai> accessed 31 July 2020.

Hilty R, 'Declaration on the Three-Step Test: Where Do We Go from Here' (2010) 1 (83) *JITIPEC* <https://www.jipitec.eu/issues/jipitec-1–2-2010/2614/JIPITEC%202%20-%20Hilty-Declaration-Three-Step-Test.pdf> accessed 31 July 2020.

Hilty R and Richter H, 'Position Statement of the Max Planck Institute for Innovation and Competition on the Proposed Modernisation of European Copyright Rules Part B Exceptions and Limitations (Art. 3–Text and Data Mining)' (2017) Max Planck Institute for Innovation & Competition Research Paper No. 17-02 <https://ssrn.com/abstract=2900110> accessed 31 July 2020.

Hugenholtz B, 'The New Copyright Directive: Text and Data Mining (Articles 3 and 4)' (Kluwer Copyright Blog, 24 July 2019) <http://copyrightblog.kluweriplaw.com/2019/07/24/the-new-copyright-directive-text-and-data-mining-articles-3-and-4/> accessed 31 July 2020.

Ledford H, 'Millions of Black People Affected by Racial Bias in Health-care Algorithms' (2019) 574 *Nature* 608.

Lemley M, Casey B, 'Fair Learning' (2020) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3528447> accessed 31 July 2020.

Levendowski A, 'How Copyright Law Can Fix Artificial Intelligence's Implicit Bias Problem' (2018) 93 *Washington Law Review* 579.

Lo K, 'What is Technological Neutrality (in Copyright) Anyway? Revisiting CBC v. SODRAC' (CanLII Connects, 1 August 2017) <http://canliiconnects.org/en/commentaries/46245> accessed 28 May 2020.

Margoni T, Dore G, 'Why We Need a Text and Data Mining Exception (But it is Not Enough)' (LREC, Portorož, May 2016) <https://interop2016.github.io/pdf/INTEROP-13.pdf> accessed 31 July 2020.

Margoni T, Kretschmer M, 'The Text and Data Mining Exception in the Proposal for a Directive on Copyright in the Digital Single Market: Why it is not What EU Copyright Law Needs' (CREATe Blog, 25 April 2018), <https://www.create.ac.uk/blog/2018/04/25/why-tdm-exception-copyright-directive-digital-single-market-not-what-eu-copyright-needs/> accessed 31 July 2020.

Montagnani M, Aime G, 'Il text and data mining e il diritto d'autore' (2017) *AIDA* 376.

Naresh Shivhare S, Khetwat Saritha S, 'Emotion Detection from Text Documents' (2014) 4 *International Journal of Data Mining & Knowledge Management Process* 51.

Prosser M, 'How AI Helped Predict the Coronavirus Outbreak Before It Happened', (SingularityHub, 5 February 2020) <https://singularityhub.com/2020/02/05/how-ai-helped-predict-the-coronavirus-outbreak-before-it-happened/> accessed 31 July 2020.

Quintais JP, 'Rethinking Normal Exploitation: Enabling Online Limitations in EU Copyright Law' (2017) 6 *AMI-tijdschrift v oor auteurs-, media-en informatierecht* 197.

Quintais JP, 'The New Copyright in the Digital Single Market Directive: A Critical Look' (2020) 1 *European Intellectual Property Review* 28.

Rosati E, 'An EU Text and Data Mining Exception for the Few: Would it Make Sense?' (2018) 6 *Journal of Intellectual Property Law & Practice* 429.

Rosati E, 'Copyright as an Obstacle or an Enabler? A European Perspective on Text and Data Mining and its Role in the Development of AI Creativity' (2019) 2 *Asia Pacific Law Review* 198.

Schmidt J, 'Good Faith and Fair Dealing' in Nils Jansen, Reinhard Zimmermann (eds) *Commentaries on European Contract Laws* (Oxford University Press, 2018).

Senftleben M, 'The International three-Step Test: A Model Provision for EC Fair Use Legislation' (2010) 1 (67) *JIPITEC* <https://www.jipitec.eu/issues/jipitec-1-2-2010/2605/JIPITEC%202%20-%20Senftleben-Three%20Step%20Test.pdf> accessed 31 July 2020.

Shapiro T, Hansson S, 'The DSM Copyright Directive: EU Copyright Will Indeed Never Be the Same' (2019) 41 *EIPR* 404.

Stamatoudi I, 'Text and Data Mining' in Irini Stamatoudi (ed), *New Developments in EU and International Copyright Law* (Wolters Kluwer 2016).

Strowel A, *Droit d'auteur et copyright, Divergences et convergences* (Bruylant et Paris, L.G.D.J. 1993).

Strowel A, 'Droit d'auteur et copyright. Convergences des droits, régulation différente des contrats', in *Mélanges en l'honneur du Professeur André Lucas* (LexisNexis 2014).

Strowel A, 'Reconstructing the Reproduction and Communication to the Public Rights: How to Align Copyright with Its Fundamentals' in P. Bernt Hugenholtz (ed), *Copyright Reconstructed Rethinking Copyright's Economic Rights in a Time of Highly Dynamic Technological and Economic Change* (Wolters Kluwer 2018).

Triaille J, de Meeûs d'Argenteuil A, de Francquen E, 'Study on the Legal Framework of Text and Data Mining (TDM)', (European Union Studies 2014) <https://www.fosteropenscience.eu/sites/default/files/original/3476.pdf> accessed 31 July 2020.

Tsao W, et al., 'A Data Mining Approach to Face Detection' (2010) 43 *Pattern Recognition* 1039.

Wexler R, 'Life, Liberty, and Trade Secrets: Intellectual Property in the Criminal Justice System' (2018) 70 *Stanford Law Review* 1343.

Case law

Authors Guild v. Google, Inc. No. 13–4829-cv (2d Cir. Oct. 16, 2015).

Case 46/02 *Fixtures Marketing v Oy Veikkaus Ab* [2004] ECLI:EU:C:2004:694.

Case 203/02 *The British Horseracing Board and Others v William Hill Organisation Ltd* [2004] ECLI:EU:C:2004:695.

Case 338/02 *Fixtures Marketing Ltd v Svenska Spel* AB [2004] ECLI:EU:C:2004:696.

Case 444/02 *Fixtures Marketing v Organismos prognostikon agonon podosfairou* [2004] ECLI:EU:C:2004:697.

Case 304/07 *Directmedia Publishing GmbH v. Albert-Ludwigs-Universität Freiburg* [2008] ECLI:EU:C:2008:552.

Case 5/08 *Infopaq International A/S v Danske Dagblades Forening* [2009] ECLI:EU:C:2009:465.

Case 435/12 *ACI Adam BV and Others v Stichting de Thuiskopie and Stichting Onderhandelingen Thuiskopie vergoeding* [2014] ECLI:EU:C:2014:254.

Case 30/14, *Ryanair Ltd v PR Aviation BV* [2015] ECLI:EU:C:2015:10.

Case 527/15 *Stichting Brein v Jack Frederik Wullems* [2017] ECLI:EU:C:2017:300.

16

THE TREATMENT OF HUMOR IN US COPYRIGHT LAW WITH A COMPARATIVE GLANCE AT THE EU

Bill Patry

Abstract

Abstract is incorporeal, existing neither in physical shape nor in reality. Without a physical reality, things like love are merely an idea. The abstract idea of love may be more appealing than reality which can be messy and frustrating. So too copyright law, which is always more satisfying as an idea. This chapter discusses the frustrations that people who are funny have with legislators and judges who are not. And it pokes fun at those whose writing about funny things is abstract and not funny.

Contents

Abstract 317
Introduction 317
Setting the scene 320
Humour and American copyright law 325
Folsom v. Marsh 326
Fair use and the 1976 Act 327
Parody and fair use 328
Parody in the EU 333
Deckmyn v. Vandersteen 333
References 337

Introduction

In 2011, a website asked 30,000 people from 15 countries their view of which nationality is the "funniest" and which is "the least funny." This did not remotely approach a scientific examination. Nevertheless, Americans were voted the most funny, followed by Spain

and Italy.[1] Germany was considered the least funny, confirming Mark Twain's quip that "a German joke is no laughing matter." And that was said in 1880.

It is taken on faith in Europe, even among agnostics and atheists, that copyright law "rewards creativity and stimulates investment in the creative sector."[2] A look at the EU's narrower treatment of parody and other creatively humorous works might explain EU countries' runner-up rankings in the 2011 poll, at least if we assume—just for the fun of it—that there is a causal relationship between copyright law and the creation of new works. Since we do not have an actual culture in the US other than making money (this explains our lack of a Ministry of Culture), perhaps humor is our substitute. But whatever the situation, our courts are pretty receptive to those using others' works for transformative parodic or satirical purposes. Here, for example, is a full opinion by our most experienced appellate court in copyright matters, the Second Circuit in Manhattan, an opinion remarkable for its brevity and common sense:

> This copyright infringement suit concerns a skit, shown on the television program "Saturday Night Live," poking fun at New York City's public relations campaign and its theme song. In the four-minute skit the town fathers of Sodom discuss a plan to improve their city's image. The satire ends with the singing of "I Love Sodom" to the tune of "I Love New York." The District Court for the Southern District of New York (Gerard L. Goettel, Judge) rejected appellant's claim of copyright infringement, concluding that the parody was protected fair use. Believing that, in today's world of often unrelieved solemnity, copyright law should be hospitable to the humor of parody, and that the District Court correctly applied the doctrine of fair use, we affirm on Judge Goettel's thorough opinion.[3]

Saturday Night Live is still alive, 40 years later, because of our courts' liberal treatment of parody. Such tolerance is influenced by the First Amendment freedom of expression, unlike the weaker influence of the EU Charter of Fundamental Rights[4] or the EU Convention of Human Rights. As one New York State court wrote in 1965:

> Whether 'John Goldfarb, Please Come Home' is good burlesque or bad, penetrating satire or blundering buffoonery, is not for us to decide. It is fundamental that courts may not muffle expression by passing judgment on its skill or clumsiness, its sensitivity or coarseness; nor on whether it pains or pleases. It is enough that the work is a form of expression 'deserving of substantial freedom—both as entertainment and as a form of social and literary criticism', and we are not prepared to hold that exercise of the freedom in the instant circumstances infringes on rights which equity should protect.[5]

The court makes an obvious point, but one often overlooked in the ideological battles over limitations and exceptions: parodists and other humorists are authors too; if we apply restrictive approaches to parodists and other humorists, we are harming creativity. Europeans may regard

1 See Reuters, "Americans Rated Most Hilarious," June 8, 2011, available at: https://www.reuters.com/article/us-humour-nationalities/americans-rated-most-hilarious-in-global-poll-idUSTRE7563XB20110608 (last accessed 14 August 2020).

2 European Commission, "Shaping Europe's Digital Future," available at: https://ec.europa.eu/digital-single-market/en/copyright (last accessed 14 August 2020).

3 *Elsmere Music, Inc. v. NBC*, 623 F.2d 252 (2d. Cir. 1980) (per curiam).

4 Charter of Fundamental Rights of the European Union, OJ C 326, 26.10.2012, pp. 391–407.

5 *University of Notre Dame Du Lac v. Twentieth Century-Fox Film Corp.*, 22 A.D.2d 452, 256 N.Y.S.2d 301 (N.Y. 1st Department 1965).

this as sacrilege: copyright is also a personal right and what is more personal than being offended, deeply, passionately, righteously by a complete stranger using part of *your* work to make fun of *you*. That's not furthering creativity, that's a violation of the natural order of the universe!

The natural order of humor does vary though. Traditional Ashkenazic Jewish humor involves poking fun at yourself as a minority. Israeli professor Dr Arie Sover, who has a PhD in humor from an Israeli university and is the author/editor of six books on the subject, has written how Jewish humor can be a vehicle for cultural acceptance:

> [Jewish] Humor is ultimately part of our defense mechanism. […] Jewish humor was humor of the minority within the majority. [Jewish] Humor never laughs at the majority. Those who want to be accepted by the majority laugh at themselves. So the Jews laughed at themselves.[6]

He notes that this changed with the modern Israeli state:

> Israeli humor laughs at the Other – that's social humor in the political-social sense. As in every nation, humor has a social role: It frames what is permitted and what is forbidden. But in Israel we do not laugh at ourselves, we laugh at others. That is a vast difference. The other difference is that Israeli humor is less clever.

Clearly it is more socially acceptable to make fun of yourself than others, but what is unclear is whether it is more clever. The British may provide an answer. British humor tends to be along the self-deprecating lines of American Jewish humor, but it is sometimes directed at others. British comedian Ricky Gervais explains:

> We use sarcasm as a shield and a weapon. We avoid sincerity until it's absolutely necessary. We mercilessly take the piss out of people we like or dislike basically. And ourselves. This is very important. Our brashness and swagger is laden with equal portions of self-deprecation. This is our license to hand it out.
>
> This can sometimes be perceived as nasty if the recipients aren't used to it. It isn't. It's play fighting. It's almost a sign of affection if we like you, and ego bursting if we don't. You just have to know which one it is.[7]

That recognition of which-is-which (sarcasm as either affection or ego-bursting) requires keen cultural training of the sort one only gets by growing up with it, demonstrating how humor is not an autonomous concept especially across a diverse continent.

With Brexit, some (OK, one or two) continental Europeans are lamenting that the halls of Brussels are already more quiet, as this newspaper report observes:

> The first thing (being missed) is the sense of humour Britain's EU commissioners brought to meetings, European Commission Vice President Margrethe Vestager told journalists.

6 See https://www.haaretz.com/jewish/.premium.MAGAZINE-what-makes-jews-so-funny-1.5406163 (last accessed 14 August 2020). See also the 2013 documentary, "When Jews Were Funny," https://en.wikipedia.org/wiki/When_Jews_Were_Funny (last accessed 14 August 2020).

7 See https://time.com/3720218/difference-between-american-british-humour/ (last accessed 14 August 2020).

> "That may be coming from the Danish point (of view), because I think we share some of the same way of making ourselves laugh," the high-ranking commissioner hailing from Denmark said.[8]

The French likely do not share Commissioner Vestager's opinion since French humour is more like that of Israel, making fun of others, particularly *le rosbif* and Belgians. In both Israel and France, this may come from a *complexe de supériorité*, or in Hebrew a לודג שאר (big head). In this context, humour is a weapon used against others, all of whom you regard as inferior: *Lorsque l'on travaille pour Dieu, il faut avoir un "complexe de supériorité."* There is another explanation, offered by French author Romain Seignovert in his 2016 book, *De Qui Se Moque-t-On* ("Who are we making fun of?"). Mr Seignovert believes: "We all have a target country, and it's not by chance we often do jokes on our neighboring countries. It's those we are culturally and linguistically closest to." This of course conveniently ignores the Flanders area of Belgium, 6.5 million of whom are native Flemish speakers and who have a different culture. But as to the Walloons (some of whom speak Picard or Lorain), yes, saying "nonante" for 90 instead of "quatre-vingt-dix" does take getting used to, but this alone should not account for the relentless French lampooning of their northern neighbors.

We copyright-godless Americans, however, believe that fair use principles allowing parodists and other humorists to create transformatively have benefits for all authors, superior and inferior, including at the copyrightability stage, as seen in this famous quotation from an opinion by Justice Oliver Wendell Holmes, Jr. upholding copyright in a circus poster:

> It would be a dangerous undertaking for persons trained only to the law to constitute themselves final judges of the worth of pictorial illustrations, outside of the narrowest and most obvious limits. At the one extreme some works of genius would be sure to miss appreciation. Their very novelty would make them repulsive until the public had learned the new language in which their author spoke. It may be more than doubted, the instance, whether the etchings of Goya or the paintings of Manet would have been sure of protection when seen for the first time. At the other end, copyright would be denied to pictures which appealed to a public less educated than the judge. Yet if they command the interest of any public, they have a commercial value—it would be bold to say that they have not an aesthetic and educational value—and the taste of any public is not to be treated with contempt.[9]

In this chapter, I shall explore how US courts have treated parody and other cases involving humour, and then refer to the ways the EU handles these issues. Refer is all it is, given the paucity of my knowledge of EU law, which is why I told our esteemed Editor Eleonora Rosati (from the third ranked funniest country, Italy) I should not have a chapter in a book entitled *Handbook of European Copyright Law*. But she ignored me. I laughed.

Setting the scene

Parody cases are often the most interesting in copyright law because of both the humour involved and the issues they raise: When is a use of copyrighted material a parody? Does one have to parody the original, or is a general attack on society sufficient? Must the parody

8 See https://www.hindustantimes.com/world-news/eu-lawmakers-to-miss-british-sense-of-humour-as-brexit-inches-closer/story-1IQMSxfSwOW5fZVnHdK6fM.html (last accessed 14 August 2020).

9 *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 251–252 (1903).

intend to be funny? Does a parody have to actually *be* funny? If so, who is the audience we look at to see if they laughed? Can vulgar or obscene parodies still qualify as fair use? May the parodist conjure up more than is necessary for you to recognize the original or only as much as is necessary? How does one evaluate the market effect of a parody? Is a claimed injury to one's honor, reputation, or personal sensitivities enough to defeat a parody claim? What types of non-parody humour should be allowed, and if allowed, should there be different standards depending on the type of humour and its target? Within the EU, should different countries get to define what a humorous intent or effect is? In the US, copyright is a federal right so we have a unified law, but given that parody claims can go to juries, there is still room for community judgments, if not standards, to apply.

Some works *are* just funny, but are not parodies, satires, irony, pastiches, caricature, travesties, burlesque, imitations, lampoons or any other fancy term of literary criticism that Michel Eyquem de Montaigne might have dreamt up. (I confess to not knowing how to pronounce his name, but I happily declare *Je suis non moi-même la matière de mon livre*.) Here is an example of something that is merely funny and which a US court might approve as fair use (Figure 16.1):



Figure 16.1

This is by a rural Eastern Pennsylvania man who describes himself as "a multi-talented artist / musician / comedian whose creative concoctions of music, art, puppets, props and humour are guaranteed to appeal to the young and young-at-heart everywhere."[10] He is, in short, just fun.

The image on the left is of the Pillsbury Doughboy mascot ("Poppin' Fresh").[11] The image on the right is a pun on it, depicting Poppin' Fresh as a piece of matzah, an unleavened, tasteless flatbread dreaded by all those who are forced to consume it during the eight days of Passover. The figure on the right is not making fun of the Pillsbury Doughboy, but rather utilizes it as a well-known figure to make a humorous contrast between Jesus's resurrection ("rising"), and the lack of rising of matzah.

The use is neither a parody nor a satire, although use of the original is essential to make the humorous point about bread rising or not, depending on your religion. Under US copyright law, such classifications are not decisive or even important. Going through the four statutory fair use factors in Section 107 of the Copyright Act, (1) the nature and purpose of the use is to take a well-known mascot to point out how two religions have different symbolism on what is a harvest or Spring holiday. (2) The nature of the original is a mascot for a baking company—protectible, but not a "consumptive" work (pun intended). (3) The whole work is used but this is typically the case with graphic works. And finally, (4) the market effect is zero on Pillsbury. But most likely, a US court would think, "it is a mildly funny use that harms no one, a trifle, *petite monnaie*, *kleine münze*."

This is not to say anything that makes people chuckle is fair use. A mash-up of Dr Seuss and Star Trek ran into serious galactic interference before the Ninth Circuit Court of Appeals, which rejected the defendant's claim—accepted by the trial court—that the use was fair. The appellate court did not care what label you affixed, "we do not ask whether mash-ups can be fair use—they can be—but whether Boldly is a transformative work."[12] And in the court's view, it wasn't.

The trial court rejected the parody assertion, favoring a description as a mash-up in its eventual ruling of fair use:

> In the present case, Defendants' work is most appropriately termed a literary and pictorial "mash-up." See, e.g., Mash-up, Merriam–Webster, https://www.merriam-webster.com/dictionary/mash-up (defining term as "something created by combining elements from two or more sources: such as underlying-work-specific "characters or situations"). Such works may, of course, also be parodies when they juxtapose the underlying works in such a way that it creates "comic effect or ridicule." Campbell, 510 U.S. at 580. However, there is no such juxtaposition here; Boldly merely uses Go!'s illustration style and story format as a means of conveying particular adventures and tropes from the Star Trek canon. And although Defendants argue generally that "Boldly uses Dr. Seuss's own works in service of a group-oriented counterpoint to the Go! individualist ideal[,]", the Court cannot conclude that such a "parodic character may reasonably be perceived." Campbell, 510 U.S. at 582.
>
> But although Boldly fails to qualify as a parody it is no doubt transformative. In particular, it combines into a completely unique work the two disparate worlds of Dr. Seuss and Star Trek. Go! tells the tale of a young boy setting out on an adventure and discovering and confronting many strange beings and circumstances along his path. Boldly tells the

10 See mrdavid.com (last accessed 14 August 2020).

11 Poppin Fresh even has his own Wikipedia entry: https://en.wikipedia.org/wiki/Pillsbury_Doughboy (last accessed 14 August 2020).

12 You can watch the video of the oral argument at: https://www.ca9.uscourts.gov/media/view_video.php?pk_vid=0000017294 (last accessed 14 August 2020). Rev'd on this ground, 2020 WL 7416324 (9th Cir. Dec. 18, 2020).

> tale of the similarly strange beings and circumstances encountered during the voyages of the Star Trek Enterprise, and it does so through Go!'s communicative style and method. Go!'s rhyming lines and striking images, as well as other Dr. Seuss works, are often copied by Boldly, but the copied elements are always interspersed with original writing and illustrations that transform Go!'s pages into repurposed, Star–Trek—centric ones.[13]

Here is one set of images from the two works (Figure 16.2):

Defendant admitted copying visual and textual elements from Plaintiff's work. But why? The origin of defendant's book was with a former writer on the Star Trek series who wanted to do a catchy Star Trek primer for the youth market. There is nothing inherent about Dr. Seuss that relates to this goal. Trial evidence showed that defendant had earlier considered different books to mash-up: *Pat the Bunny*, *Fun with Dick & Jane*, *Goodnight Moon*, *and The Very Hungry Caterpillar.* Defendants did not comment on, criticize, or make fun of Dr. Seuss. The "mash-up" was simply a way to appeal to the youth market. As with the word "parody," the word "mash-up" is not a talisman waiving away, magically, infringement.

Here is another exhibit with the amici on either side identified (Figure 16.3):

The amici line-up, superimposed on the side-by-side above, suggests something that is common, but false: that fair use is a partisan matter with two diametrically opposed sides, authors and users. Most fair use disputes in the US are between two authors. To say, as politicians are wont to do, "I stand with authors," is asinine: which author, in a dispute between two of them? Ben Sheffner, counsel for the Motion Picture Association of America (one of the amici on Dr. Seuss's side), rebutted the author versus user view of fair use in an MPAA blog post:

> [W]e do want to push back a bit on the suggestion in some of the commentary about our brief that the MPAA and its members somehow "oppose" fair use, or that our embrace

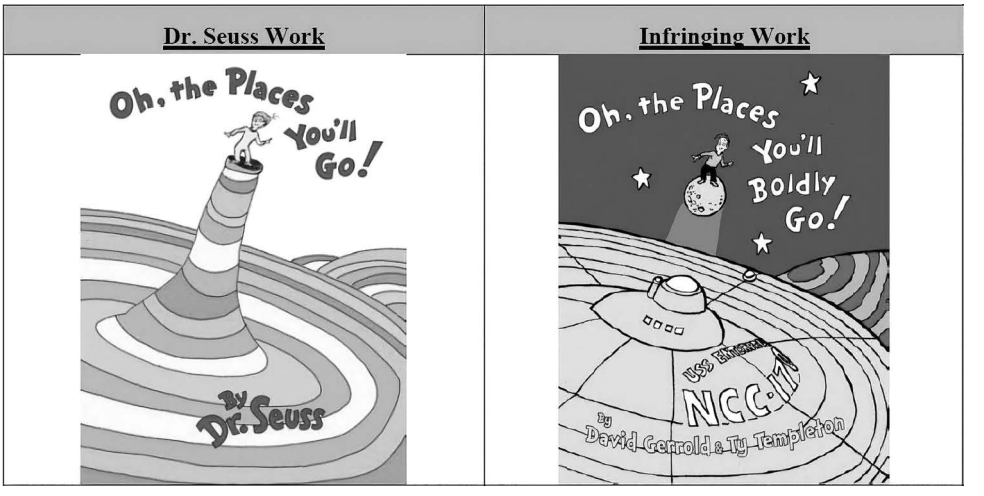

Figure 16.2

13 *Dr. Seuss Enterprises, L.P. v. ComicMix LLC*, 256 F.Supp.3d 1099, 1106 (S.D. Cal. 2017), 372 F.Supp.3d 1101 (S.D. Cal. 2019).



Figure 16.3

> of it in the Baltimore Ravens brief represents a shift in our position. That's simply false, a notion that doesn't survive even a casual encounter with the facts. Our members rely on the fair use doctrine every day when producing their movies and television shows – especially those that involve parody and news and documentary programs. And it's routine for our members to raise fair use – successfully – in court.[14]

As Mr Sheffner rightly added:

> No thinking person is "for" or "against" fair use in all circumstances. As the Supreme Court and countless others have said, fair use is a flexible doctrine, one that requires a case-by-case examination of the facts, and a careful weighing of all of the statutory factors. Some uses are fair; some aren't.

That fair use is flexible does not mean it is inexact: with the benefit of almost three hundred years of common law opinions to draw on, in-house counsel like Mr Sheffner and I make fair use decisions as part of our everyday jobs, as do thousands of others. It is this flexibility—within centuries of shaping concepts based on real world facts—that in my view presents an optimal approach to the plastic nature of creativity. Far better to go with the facts than with an array of experts waxing with erudition about the supposed differences between parodies, satires, irony, pastiches, caricature, travesties, burlesque, imitations, lampoons, delving into ancient Greek and Roman sources, "rules of the genre," and multi-functionality, none of which formed the basis for a single copyright law in the world. Why should we care about

14 Ben Sheffner, "MPAA and Fair Use: A Quick History," October 22, 2013, available at: https://www.motionpictures.org/press/mpaa-and-fair-use-a-quick-history/ (last accessed 14 August 2020).

external scholarship written for different purposes? Hopefully, all we should care about is whether defendant's use furthers the goals of copyright or not, and this where the US approach has a distinct advantage.

Humour and American copyright law

All Anglo-American copyright law stems from the 1710 Statute of Anne, in which authors were granted "the sole liberty of printing and reprinting [...] books for the term of fourteen years." That was it; no reference was made to what we now call limitations and exceptions on those rights. No reference was made because the Act was not regarded as having a divide between rights on one side and limitations and exceptions to those rights on the other side.

Neither Parliament nor the House of Lords interpreting the statute regarded copyright as a natural right or as absolute,[15] so the fact that the statute was seemingly cast in absolute terms (authors had the "sole" right to print and reprint their book) did not mean authors could stop every unauthorized use, no matter how minor or socially beneficial. No court dreamed of interpreting the act strictly or narrowly in order to further "the highest level of protection," nor were unauthorized uses regarded as in derogation of the rights granted authors in the Act. "Derogation" is an ideological assertion, and assumes that the natural state of law is something it is not, absolute.

No guidance to courts was given in the Statute of Anne on a host of critical questions: did the author's right extend only to "the whole book and nothing but the book," or could a taking of less than the whole also violate the author's rights? If it could, was there a de minimis threshold for infringement, did translations or abridgments violate the author's rights, did book reviews or other unauthorized uses in the public interest fall within or outside of the rights granted by the statute? What about parodies and other forms of comment or criticism?

The statutory lack of answers to these questions was not an oversight, but rather a reflection of how the legal system worked. Parliament sketched out the law, and the courts filled it in. To fill in the Statute of Anne, courts looked to the purpose of the Act: "An Act for the Encouragement of Learning." From at least the 1584 opinion of the Barons of the Court of Exchequer in *Heydon's case*,[16] English courts looked to the purpose of a statute for guidance to its meaning because legislatures act in response to real world problems—laws are not generally ideological statements, although in the Copyright Wars one can be forgiven for thinking otherwise.

Since the text of the Statute of Anne was extremely brief, the courts' role in giving meaning to the statute's purpose was large. The answers did not come right away, but instead in true common-law fashion, gradually in a series of cases. Plaintiffs and defendants were, at the inception of a case, on equal footing, unlike today when a plaintiff copyright holder is argued to be in the type of protected class formerly reserved for minor children at risk. In copyright's formative period, there was a single judicial inquiry under a single legislative purpose of encouraging learning. Put simply by Lord Chancellor Eldon in the 1810 case of *Wilkins v. Aiken*: "The question upon the whole is, whether this is a legitimate use of mental operation, deserving the character of an original work." It is quite telling that the "original work" referred to was not plaintiff's, but defendant's.[17]

15 *Donaldson v. Becket*, 1 Eng. Rep. 837 (House of Lords, 1774). The US Supreme Court held the same in its very first copyright case, *Wheaton v. Peters*, 33 U.S. 591 (1834).

16 *Heydon's Case* (1584) 76 ER 637.

17 17 Ves. 422 (1810).

The early common-law judges saw copyright law as a way to mediate between conflicting authorial forms of creativity, as well as fostering other social benefits such as reviews and scientific discussions which referred to and quoted portions of the work under review or discussion. The Anglo-American judges who created modern copyright law understood that copyright is a holistic system, a means to an end, the end being to encourage learning. All learning is a community experience, one that takes place over decades and generations. For any system to function, it must be based on, in a meaningful, liberal way, the manner in which humanity engages in intergenerational dialogues. In the case of copyright, this means that fair use must be viewed as an integral part of the system, and not as a begrudging exception to a Hobbesian state of nature where ruthless enforcement of exclusive rights as private property is the ideal. In the early common law days of copyright, unauthorized copying was not regarded as a social illness to be stamped out at every opportunity, but rather in some circumstances as a social benefit. Some modern judges, such as Pierre Leval and Richard Posner, continue that tradition.

This does not mean, and has never meant, that anything goes. Fair use was not a blank check to do whatever you want, and still is not. Sometimes the judgment by the early English judges was "no," the work had not been used fairly, as in the 1752 case of *Tonson v. Walker*,[18] where Lord Chancellor Hardwicke condemned the defendant's authorized copying of an edition of John Milton's (public domain) poetry along with plaintiff's protected editorial notes. Defendant had merely added a few notes of his own to plaintiff's notes. The court rightly criticized defendant's work as a "mere evasion" of plaintiff's copyright. The English courts' unified approach to furthering learning through a unified judicial inquiry arose from their understanding of the creative process and their fidelity to Parliament's purpose. Their approach prevented them from falling prey to the false accusation so common today that all unauthorized/unlicensed copying is free-riding and should be condemned as a moral shortcoming.

By 1841, US Supreme Court Justice Joseph Story, sitting as a circuit justice in *Folsom v. Marsh*, was able to gather the principles pieced together by the UK common law judges into a formulation of fair use that has served as the bedrock for future decision-making and legislation on the subject. So well did Justice Story synthesize the doctrine that later English courts looked to his expression of the concept for guidance, while Congress, in the 1976 Copyright Act, distilled his principles into the four fair use factors enumerated in Section 107.

Folsom v. Marsh

Folsom v. Marsh[19] was a dispute between the publisher of a 12-volume biography of George Washington, and the publisher of Reverend Charles Upham's two volume, 866-page history of Washington which had copied 353 pages from plaintiff's biography. That's an awful lot to copy, although 64 of those pages consisted of public domain official government letters of Washington. No court would believe the use to be fair, and Justice Story did not.

Justice Story began by observing what he called the "two extremes." The first extreme was a case where "the whole substance of one work has been copied from another, with slight omissions and formal differences only." This type of copying "can be treated in no other way

18 3 Swans. (App.) 672, 680 (1752).

19 9 F. Cas. 342, 344 (C.C.D. Mass. 1841).

than as [a] studied evasion."[20] At the opposite pole was copying for the purpose of review and criticism. Of this type, Justice Story wrote:

> [N]o one can doubt that a reviewer may fairly cite largely from the original work, if his design be really and truly to use the passages for the purposes of fair and reasonable criticism. On the other hand, it is as clear, that if he thus cites the most important parts of the work, with a view, not to criticize, but to supersede the use of the original work, and substitute the review for it, such a use will be deemed in law a piracy.[21]

Difficult questions are presented when a use falls somewhere between these two extremes. In such a circumstance, the courts must, *inter alia*, evaluate the extent of defendant's creative effort. Justice Story then asked "whether this is a justifiable use of the original materials, such as the law recognizes as no infringement of the copyright of the plaintiffs."[22] This was to be answered by looking at what became in 1978 the four statutory fair use factors:

> In short, we must often, in deciding questions of this sort, look to the nature and objects of the selections made, the quantity and value of the materials used, and the degree in which the use may prejudice the sale, or diminish the profits, or supersede the objects, of the original work.[23]

Justice Story held there was "no doubt whatever, that there is an invasion of the plaintiff's copyright."[24] Looking at defendant's appropriation, he found that the essential value of defendant's work rested on plaintiff's letters without which defendant's work "must fall to the ground." Justice Story also found that the portion taken was the most interesting and valuable in plaintiff's work. The result: infringement, not fair use. The case launching fair use in the US rejected the defense on the facts, demonstrating that from its inception in the US, fair use has been concerned with fostering creativity, not piracy.[25]

Fair use and the 1976 Act

Fair use remained a common law, non-statutory doctrine until passage of the 1976 Act (effective date of January 1, 1978.) After January 1, 1978, it remains a common law doctrine. Section 107 of the 1976 Act does not codify fair use—it does not define it, contain it, or restrict its growth. Instead, it merely statutorily recognizes its existence and gives a few indications of what it is about. This approach was the result of two considerations, neither dealing with the substance of the doctrine. The first was the belief that it would be odd, in an omnibus revision of the statute, not to mention such an important part of the law. Would some courts think its absence indicated the doctrine had been disapproved of by Congress? The second was the unfortunate, decades long battle between authors/publishers and educators

20 9 F.Cas. at 344.
21 9 F. Cas. at 344–345.
22 9 F. Cas. at 348.
23 9 F. Cas. at 348.
24 9 F. Cas. at 349.
25 Although Justice Story's opinion in *Folsom v. Marsh* is proverbially considered the first American expression of fair use, many of the points raised in *Folsom* were anticipated two years earlier by Justice Story in *Gray v. Russell*, 10 F. Cas. 1035, No. 5728 (C.C.D. Mass. 1839), a case involving the scope of protection to be accorded compilations of public domain materials.

over classroom photocopying. That battle was played out in the courts and before Congress, with fair use a hostage to a constant flipping of victories to one side or the other.

There was considerable support from practicing copyright lawyers for not providing a statutory reference to fair use, or at least to anything beyond the bare bones "The fair use of a copyrighted work is not infringement." The latter would have been my preference too. But alas, this is not what happened, with Section 107 reading (with its amendment in 1992 at the very end):

> 107. Limitations on exclusive rights: Fair use
>
> Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—
>
> (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;
>
> (2) the nature of the copyrighted work;
>
> (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
>
> (4) the effect of the use upon the potential market for or value of the copyrighted work.

The fact that a work is unpublished shall not itself bar a finding of fair use if such finding is made upon consideration of all the above factors.

Parody and fair use

Parody is not enumerated in the preamble to Section 107 out of a confused belief by the then Register of Copyrights in 1964 that the lack of reference to it in the statute would result in more generous treatment:

> KAMINSTEIN. We intentionally did not include the word "parody." We think that a general provision is better than a specific provision in this case.[26]

Instead, a reference to parody would be made in a legislative report, and was later made in the 1976 Act committee reports, where in giving examples of potential fair uses, the reports refer to "a parody of some of the content of the work parodied."[27] Why the Copyright Office thought a passing reference in the legislative reports would lead courts to give parody wider latitude than an express listing of it in the statute itself defies explanation: for all claimed fair uses—those listed and those not listed—courts must analyze the use according to the four statutory factors. I can only say *je donne ma langue au chat*.

So how have US courts post the 1976 Act treated parody? The central case, but only because it was issued by our highest court, is *Campbell v. Acuff-Rose Music, Inc.*[28] *Campbell*'s principal contributions to the fair use doctrine do not involve parody. The first contribution was to discard the presumptions against commercial uses glommed on to fair use by the Court's

26 Copyright Law Revision Part 3: 1964 Revision Bill with Discussions and Comments at 100 (House Comm. Print 1965).

27 H.R. Rep. No. 94–1476, 94th Cong., 2d Sess. 65 (1976).

28 510 U.S. 569 (1994).

earlier *Sony* "Betamax" case.[29] The second contribution was reference to Judge Pierre Leval's "transformative use" lens, under which courts sometimes look at whether defendant's work "adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message." Such as inquiry however "is not absolutely necessary for a finding of fair use," and Judge Leval himself subsequently pointed out that:

> The word "transformative" cannot be taken too literally as a sufficient key to understanding the elements of fair use. It is rather a suggestive symbol for a complex thought, and does not mean that any and all changes made to an author's original text will necessarily support a finding of fair use.[30]

This helpfully dispels a tendency to mistake symbols for things as actually being the thing. The transformative use lens is not fair use; it is, as Judge Leval noted, simply a phrase that conjures up one way to analyze some fair use claims. If that lens is helpful in a given case, great. If not, then do not use it, as the Seventh Circuit pointedly does not (as discussed below).

Campbell's references to parody and satire belong in the same category of being a passing judicial comment, not a bright line definition and certainly not a command, Justice Souter merely stating:

> Suffice it to say now that parody has an obvious claim to transformative value, as Acuff–Rose itself does not deny. Like less ostensibly humorous forms of criticism, it can provide social benefit, by shedding light on an earlier work, and, in the process, creating a new one. We thus line up with the courts that have held that parody, like other comment or criticism, may claim fair use under § 107.[31]

"Suffice it to say" is to say something is obvious, uncontested. While the Court cited dictionary definitions of parody, it did not endorse them, instead simply describing "the heart" of any parodist's claim to quote from existing material as "the use of some elements of a prior author's composition to create a new one that, at least in part, comments on that author's works."[32] That is a plain vanilla description, as was the Court's distinguishing satire as "requiring some justification for the very act of borrowing" when it does not comment on the first author's work. That one should read nothing into this distinction is shown in the paragraph that follows:

> The fact that parody can claim legitimacy for some appropriation does not, of course, tell either parodist or judge much about where to draw the line. Like a book review quoting the copyrighted material criticized, parody may or may not be fair use, and petitioners' suggestion that any parodic use is presumptively fair has no more justification in law or fact than the equally hopeful claim that any use for news reporting should be presumed fair, see Harper & Row, 471 U.S., at 561. The Act has no hint of an evidentiary preference for parodists over their victims, and no workable presumption for parody could take account of the fact that parody often shades into satire when society is lampooned through its creative artifacts, or that a work may contain both parodic and nonparodic

29 464 U.S. 417 (1984).
30 *Authors Guild v. Google, Inc.*, 804 F.3d 202, 214 (2d Cir. 2015).
31 510 U.S. at 579.
32 510 U.S. at 580.

> elements. Accordingly, parody, like any other use, has to work its way through the relevant factors, and be judged case by case, in light of the ends of the copyright law.[33]

In summary, *Campbell* did not engage in defining or any line-drawing, either for fair use as a whole, or for parody/satire, in particular. It did not even decide the merits of the case before it, instead remanding to the trial court for the taking of evidence on the market harm factor. Lower courts have not treated *Campbell* as doing anything special, for parodies or satires. As noted above, the Ninth Circuit rejected a parody claim in the Dr. Seuss mash-up, similar to that court's rejection of fair use in a 1997 case also involving Dr. Seuss, *Dr. Seuss Enterprises, L.P. v. Penguin Books USA, Inc.*[34] Defendant's works was a rhymed account of the O.J. Simpson murder trial entitled "The Cat NOT in the Hat!," self-described as "A Parody by Dr. Juice." Calling something a parody does not make it one though. The court found no criticism or comment about Dr. Seuss, but rather a mere copying in order to "humorously" retell the O.J. Simpson trial. There is nothing humorous about stabbing two innocent people to death.

Lest one think Dr. Seuss dons the copyright version of Superman's kryptonite, a crude vulgar parody of Dr. Seuss was held to be fair use as a matter of law at the pleading stage in the 2017 *Lombardo v. Dr. Seuss Enterprises, L.P.*[35] This was in New York City, however: a place generally more hospitable to vulgarity. Chicago, a more proper city, is more skeptical about those it views as "lazy appropriators." In *Kienitz v. Sconnie Nation LLC*,[36] the Seventh Circuit Court of Appeals doused cold water on the use of the below photograph on the left by the photograph on the right. The person depicted was the mayor of Madison, Wisconsin, whom defendant was poking fun at for hypocritically trying to shut down an annual block party that he had regularly attended and praised as a college student. Plaintiff was the photographer, who took the shot at the mayor's inauguration (Figure 16.4).

Judge Easterbrook, for the Seventh Circuit panel wrote:

> Two things can be said for Kienitz. First, defendants did not need to use the copyrighted work. They wanted to mock the Mayor, not to comment on Kienitz's skills as a photographer or his artistry in producing this particular photograph. There's no good reason why defendants should be allowed to appropriate someone else's copyrighted efforts as the starting point in their lampoon, when so many noncopyrighted alternatives (including snapshots they could have taken themselves) were available. The fair-use privilege under § 107 is not designed to protect lazy appropriators. Its goal instead is to facilitate a class of uses that would not be possible if users always had to negotiate with copyright proprietors. (Many copyright owners would block all parodies, for example, and the administrative costs of finding and obtaining consent from copyright holders would frustrate many academic uses.)
>
> Second, this use may injure Kienitz's long-range commercial opportunities, even though it does not reduce the value he derives from this particular picture. He promises his subjects that the photos will be licensed only for dignified uses. Fewer people will hire or cooperate with Kienitz if they think that the high quality of his work will make the photos more effective when used against them![37]

33 510 U.S. at 581.

34 109 F.3d 1394 (9th Cir. 1997).

35 2017 WL 4129643 (S.D.N.Y. Sept. 15, 2017), *aff'd,* 729 Fed.Appx. 131 (2d Cir. 2018).

36 766 F.3d 756 (7th Cir. 2014).

37 766 F.3d at 759–760.

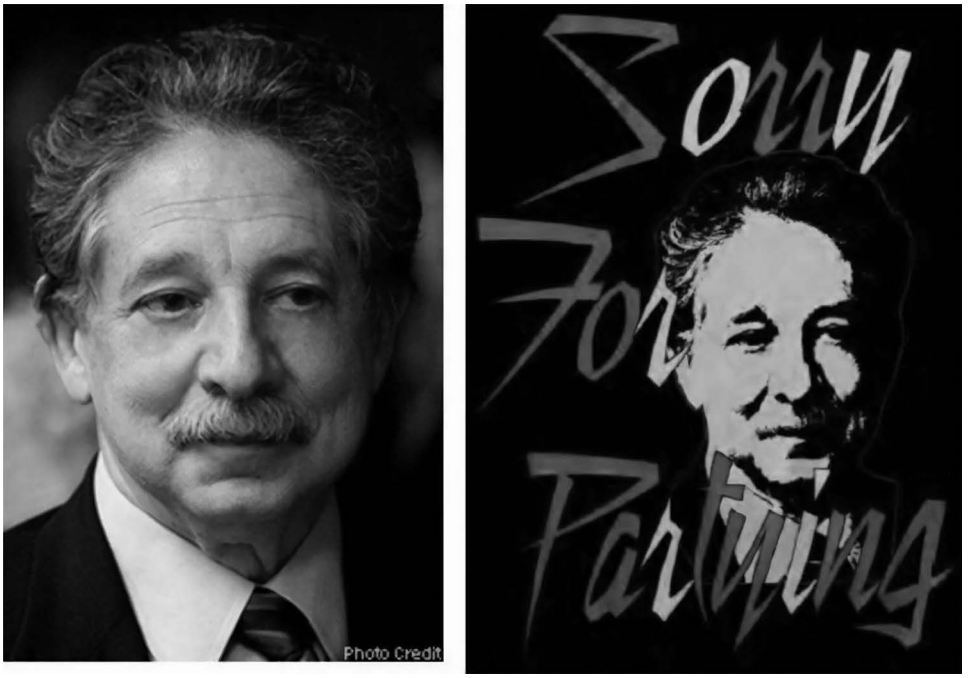

Figure 16.4

One could be excused for thinking the court of appeals found the use not fair, but this is not what happened. Judge Easterbrook continued: "But Kienitz does not present an argument along these lines, and the consideration in the preceding paragraph is not enough to offset the fact that, by the time defendants were done, almost none of the copyrighted work remained. The district court thus reached the right conclusion."[38] The first part of this smacks of a person wanting to show he or she is the smartest in the room, but it is true that the original had been substantially altered—according to Judge Easterbrook: "The photograph was posterized, the background was removed, and Soglin's face was turned lime green and surrounded by multi-colored writing." Thus, any photograph of the mayor would look very similar to plaintiff's at that point. One can construe *Kienitz* as finding no substantial similarity at the *prima facie* stage, rendering resort to fair use unnecessary.

Another aspect of the opinion worth mentioning is that it, while it cites the Supreme Court's *Campbell* opinion, it does not do so on the issue of parodies, but rather on transformative uses, noting in a snarky fashion that the transformative use concept is "not one of the statutory factors," but the opinion oddly goes on to find all the statutory factors except the fourth—market harm—of no help.

In an earlier Seventh Circuit panel opinion written by Judge Posner and which I argued before that panel, Judge Posner was even more disparaging of the statutory factors: "We have thus far discussed the application of the fair-use doctrine in terms of the purpose of the doctrine rather than its statutory definition, which though extensive is not illuminating. (More can be less, even in law.)."[39]

38 766 F.3d at 760.

39 *Ty, Inc. v. Publications International, Ltd.*, 292 F.2d 512, 522 (7th Cir. 2002).

Fair use is indeed still a common law doctrine and that is a very good thing. The *Kienitz* and Posner opinions hearken back to the early days of Anglo-American copyright law, where there was just one inquiry: is there a substantial copying of plaintiff's work, and if so, should we allow it in order to further the goals of copyright? In *Kienitz*, the court of appeals thought that there was not much left of plaintiff's photograph in defendant's work after all the changes and, while the use was not in any way a parody of the original, it was making social commentary on the subject of the photograph. That fact, combined with the minimal taking, was enough. And it should be enough without having to go into literary criticism and abstract legal principles.

This does not mean the task easy. As one very experienced district judge began his opinion:

> This copyright action centering around funny videos presents issues that are anything but simple. The instant motion requires the Court to evaluate whether a humorist's use of "viral videos" is a fair use. This complicated inquiry requires this Court to make distinctions along the fuzzy boundaries between commenting on humorous videos in a transformative manner and simply exploiting them for their inherent humor without paying the customary price.[40]

The parties' positions were of course diametrically opposed:

> Equals Three asserts that its episodes are transformative because they are parodies of the Jukin videos. Jukin argues that Equals Three's episodes are not parodies because they do not critique Jukin's videos. According to Jukin, Equals Three's episodes are, at most, satires of society or some other subject in general.[41]

The court's task would be made much harder by superimposing external definitions and literary theories, or autonomous but undefined categories such as parody. Given the flexible nature of fair use, the court was able to resolve the issue without reference to such external straightjackets, holding,

> even if Equals Three's episodes are not parodies, the episodes comment upon or criticize Jukin's videos. Equals Three's episodes directly respond to and highlight humorous aspects of Jukin's videos. The episodes do so via the host's reactions to the videos, jokes, narration, costumes and graphics. The host's narration does not simply recount what is shown in Jukin's videos; instead the host makes comments about Jukin's videos that highlight their ridiculousness by creating fictionalized narratives of how the events transpired, using similes, or by directly mocking the depicted events and people.[42]

While I am appalled by both parties' videos, which are an extremely lazy form of entertainment designed to appeal to, as the plaintiff put it, "fast-paced tastes," the decision appears defensible, and it is here that the second fair use factor, "the nature of the copyrighted work," plays an unusually prominent role. While it may be difficult to parody a parody,[43] it

40 *Equals Three, LLC v. Jukin Media, Inc.*, 139 F.Supp.3d 1094, 1097–1098 (C.D. Cal. 2015).

41 139 F.Supp. 3d at 1103–1104.

42 139 F. Supp.3d at 1104.

43 *But see* Brownmark Films, LLCv. Comedy Partners, 682 F.3d 687 (7th Cir. 2012) (plaintiff's work "What What (In the Butt)" parodied on South Park TV show.

is possible to get lower in the same gutter, as defendant did. As the patrician Justice Holmes sniffed in the *Bleistein* case, "the taste of any public is not to be treated with contempt. It is an ultimate fact for the moment, whatever may be our hopes for a change."[44] As we have been unsuccessfully waiting for 117 years since *Bleistein* for that change, it is safe to assume it will not come. But in the meantime, with the flexibility provided by fair use, waiting is not a problem.

Parody in the EU

Are Europeans humorous? The poll mentioned at the outset indicated that at least Spaniards and Italians are, Germans no. The French? Any country that thought Jerry Lewis (a/ka/ "Le Roi du Crazy") was funny and gave him the *Commandeur de la Legion D'Honneur* has issues. But Mr Lewis himself disputed that the French were his biggest fans: "Italy is first, Germany is second, the Netherlands are third […] France is sixth."[45]

Mr Lewis is conveniently overlooking that *Commandeur de la Legion D'Honneur*: no equivalent honor was given in any other country, including may I add the United States, where his awards were limited to things like induction into the New Jersey Hall of Fame, or a Lifetime Achievement Award from the Greater Fort Lauderdale, Florida Film Festival. A common view from the United States is that the French do not really think Lewis was funny but instead use him as a vehicle to look down on Americans:

> There is also a school of thought that Jerry Lewis personifies many countries' concept of "the ugly American." Gerald Mast, in his excellent 1979 book The Comic Mind-Comedy and the Movies writes: "Where American critics and audiences see (Lewis) as the banal equal of, say Abbott and Costello… for the European critic, Lewis' comic strength is the comically accurate depiction of the American mentality- its brash, vulgar overzealousness." Few countries hate Americans more than the French and no one gets a bigger kick out of ridiculing the USA.[46]

Still, as Professor Rosati has remarked regarding the relationship between parody and the European Convention on Human Rights: "It would be unduly restrictive if only actually funny people were able to enjoy the right to parody as part of their freedom of expression, with those unable to achieve a humorous effect being ineligible for protection under Article 10 ECHR."[47] We in the States had no qualms about Jerry Lewis being able to express himself, we merely wanted to exercise our First Amendment right not to hear him express himself, which seems like a "fair balance" between his interests and ours.

Deckmyn v. Vandersteen

The graphic above is plaintiff's work, in a book entitled *De Wilde Weldoener* (the Wild Benefactor) (Figures 16.5 and 16.6).

44 188 U.S. 239,252 (1903).

45 https://www.neatorama.com/2015/03/12/Why-Do-the-French-Love-Jerry-Lewis/

46 Id.

47 Eleonora Rosati, "Just a laughing matter? Why the CJEU decision in Deckmyn is broader than parody" (2015) 52(2) Common Market Review 511, at 518.



Figure 16.5

The graphic above is defendant's right-wing racist work, depicting Daniël Termont, the socialist mayor of Ghent, in place of the original character, Lambic, and with figures on the bottom left representing Muslims. Defendant claimed that the mayor, as a "wild benefactor," was benefitting non-Ghent (read dark-skinned) people. Defendant's work did not make fun of the original work, but rather used it as a way to criticize the mayor, with the connection between the two works being the depiction of a benefactor throwing money down to people below.

The decision of the Court of Justice of the European Union (CJEU) in *Deckmyn v. Vandersteen*[48] first held that "parody" is an autonomous concept of EU law as found in Article 5(3)(k) of the InfoSoc Directive.[49] Specifically, the CJEU wrote in paragraph 16:

48 Case C-201/13 *Johan Deckmyn and Another v Helena Vandersteen and Others*, EU:C:2014:2132, Sept. 3, 2014.

49 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19.

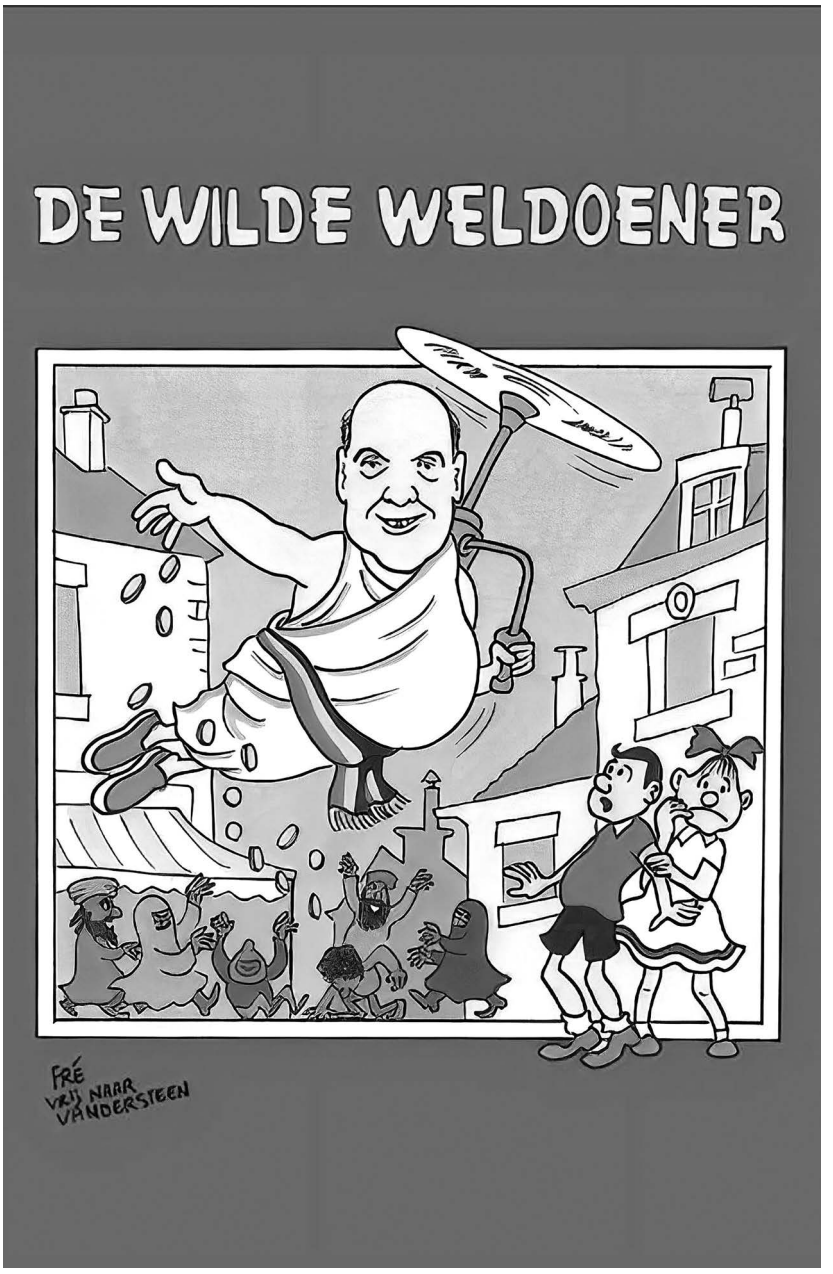

Figure 16.6

> An interpretation according to which Member States that have introduced that exception are free to determine the limits in an unharmonised manner, which may vary from one Member State to another, would be incompatible with the objective of that directive.

Fair enough, but how do we know a parody when we see one, and what criteria do we use to determine if it is a protected parody? We are told these are the two essential characteristics

of an Article 5(3)(k) parody, "'first, to evoke an existing work while being noticeably different from it, and, second, to constitute an expression of humour or mockery'." But this is in the context of parody needing to be given "its usual meaning in everyday language." (paragraph 19). Might not that meaning vary among EU countries? Perhaps yes, but after *Deckmyn* our esteemed editor thinks not:

> With regard to the various tests developed at the national level, it appears for instance doubtful that after *Deckmyn* France would be still able to require that parodies comply with the rules of the genre, as per current Article L 122-5(4) of the French intellectual property code. Although this requirement under French law has been criticized as unhelpful, courts in that Member State have articulated some "lois du genre". These include that a parody must not be confusing; must not intend to harm personally the author of the earlier work; and is intended to be funny. In its 2001 decision in *SNC Prisma Presse v Charles V.*, the Tribunal de Grande Instance de Paris held that "La parodie suppose l'intention d'amuser sans nuire."[50]

Plaintiff had complained the defendant's work did not have the intention of making fun of the original, but was rather using it to make a racist point. The CJEU ultimately remanded to the Belgian court, observing that if the Belgian court found the drawing was discriminatory in nature, plaintiff would have "a legitimate interest in ensuring that the work protected by copyright is not associated with such a message." This has less to do with the scope of Article 5(3)(k) than with treating *droit moral* rights as hierarchically dominant.

Given the racist nature of the defendant's work, it is hard to find fault with this approach although it is not clear to me as an outsider whether this result is necessarily grounded in Recital 31 of the InfoSoc Directive regarding the requirement that exceptions and limitations must strike a "fair balance" between the rights and interests of authors and the rights of users of protected subject-matter on the other. This language is so vague as to be meaningless and not only because it does not suggest how to strike such a "fair balance," but also because it does not tell us anything about what interests have to be balanced. Those who claim fair use is vague have some explaining to do about why this is not a great deal more vague.

Instead, it seems to make more sense to see the decision as grounded in a sizable difference between the broad First Amendment freedoms in the United States and the EU's willingness to suppress expression deemed offensive. Professor Rosati sides with the EU, shaking an unamused Italian finger:

> Freedom of expression is not unlimited, as also clarified by Article 10(2) of the European Convention on Human Rights ('ECHR'), and other rights – including copyright protection – might interfere with its exercise. Although a parody cannot be forbidden just because the author of the parodied work does not approve of it, parodies that transmit a message that is radically contrary to the deepest, fundamental, values of the society upon which the European public space is built should be prohibited.[51]

Without in the least questioning Professor Rosati's interpretation of EU law (she does, after all, put the meow in The IPKat blog), from an American perspective, this is a one-sided, narrow view of freedom of expression, applying only to those views that are consonant with "the

50 Rosati, "Just a Laughing Matter?" at 517.

51 Rosati, "Just a Laughing Matter?" at 515.

deepest, fundamental values of society" as determined by the majority. Freedom of expression does not apply, under this view, to those with "radically contrary" messages. There is no "fair balancing of interests," but rather exclusion based on the content of the message.

As objectionable as I find defendant's use in *Deckmyn*, I am confident that the use in *Deckmyn* would have been deemed fair in the US because it takes the original's concept of being a benefactor to make a political point. If I were a US judge trying such a case, I would have held my nose and ruled for defendant on the pleadings. I would not have considered the work a parody; it certainly is not funny—except of course for the racists whose audience it was intended for—but in the US we are OK with racist uses of copyrighted works for political purposes. Let the racists laugh, we say, maybe then they will not pick up their guns.

Other countries may not want to follow this approach, and that is their choice. In the ballet of law as a weapon in social struggles, some countries turn *en dehors* while others turn *en dedans*. Or, as Plato (a big fan of dance) wrote, "τὸ τὰ αὑτοῦ πράττειν καὶ μὴ πολυπραγμονεῖν δικαιοσύνη ἐστί" ("justice is when everyone minds their own business, and refrains from meddling in others' affairs"). It is no business of we Americans to tell the EU it should not shut down offensive parodies like the one in *Deckmyn* even when we, most assuredly, would not.

References

Aristophanes, *The Birds* (446 BCE, Alfred Hitchcock translation, March 28, 1963, Universal Pictures).

Brautigan, Richard, *Trout Fishing in America* (March 1, 1999, Mariner Books).

Carle, Eric, *The Very Hungry Caterpillar* (March 23, 1994, Philomel Books).

Doyle, Arthur Conan, *The Hound of the Baskervilles* (Strand Magazine, August 1901–April 1902).

Eco, Umberto, *How to Travel with a Salmon* (September 15, 1995, Mariner Books).

Fossey, Dian, *Gorillas in the Mist* (October 6, 2000, Mariner Books).

Grandin, Temple, *Animals in Translation* (January 2, 2006, Harcourt).

Haddon, Mark, *The Curious Incident of the Dog in the Night-Time* (May 18, 2004, Vintage Contemporaries).

Idriess, Ion, *The Cattle King* (July 11, 2007, A&R Classics).

James, P.D., *Shroud for a Nightingale* (paperback, September 11, 2001, Scribner).

Kafka, Franz, *Investigations of a Dog* (reprint, May 23, 2017, New Directions).

Lee, Harper, *To Kill a Mockingbird* (reprint, January 1, 2002, Harper Perennial).

Matthiessen, Peter, *The Snow Leopard* (August 30, 1978, Viking Press).

Numeroff, Laura Joffe, *If You Give a Mouse a Cookie* (October 6, 2015, HarperCollins Publishers).

Orwell, George, *Animal Farm* (reprint, November 20, 1990, Houghton Mifflin Harcourt).

Potter, Beatrix, *The Tale of Two Bad Mice* (1902, Warne, 100th anniversary edition, September 16, 2002).

Quinn, Spencer, *The Dog Who Knew Too Much* (June 19, 2012, Atria Books reprint edition).

Rosati, Eleonora "Just a Laughing Matter? Why the CJEU Decision in Deckmyn is Broader than Parody" (2015) 52(2) *Common Market Review* 511.

Russell, Mary Doria, *The Sparrow* (September 8, 1997, Ballantine Books).

Seuss, Dr., *The Cat in the Hat* (March 12, 1957, Random House Books for Young Readers).

Thurber, James, *The Owl in the Attic and Other Perplexities* (1931, HarperCollins new edition, December 1, 1975).

Updike, John, *Rabbit, Run* (reissue edition, August 27, 1996, Random House Trade Paperbacks).

Vonnegut, Kurt, *Welcome to the Monkey House* (1968, reprint, Dial Press September 1, 1998).

Wodehouse, P.G., *Love Among the Chickens* (Circle Magazine, September 1908–March 1909).

Xenophon, *The Art of Horsemanship* (354 BC, first printed edition 1516, Giunti Press, Venice, Italy; first English translation, 1893, Morris H. Morgan, Little, Brown & Company, Boston).

Yarrow, *Puff the Magic Dragon* (August 1, 2007, Sterling).

Zindel, Paul, *Confessions of a Teenage Baboon* (January 1, 1978, Bantam, 4th edition).

17

THE NATURE AND CONTENT OF THE THREE-STEP TEST IN EU COPYRIGHT LAW

A reappraisal

*Daniël Jongsma**

Abstract

This chapter discusses the role played by the so-called three-step test in European Union (EU) copyright law. It suggests that the three-step test as implemented into EU law is principally intended to ensure compliance with international law. As a result, the interpretation of both EU and national law in light of the three-step test should take into account the considerable margin of discretion inherent in the test. The test is not to be understood as delineating the precise scope of protection, nor does it require implementation into national law. In order to determine whether (the scope of) a particular limitation or exception exceeds the boundaries of the three-step test, courts should principally assess the trade-off between the contribution of protection to the objectives of copyright and other competing considerations. This is also consistent with the need to ensure that a fair balance of rights and interests is struck, as identified by the Court of Justice of the European Union. Consequently, the Court itself, until now far from a beacon of consistency and largely blind to competing considerations when applying test, ought to adjust its approach.

Contents

Abstract 338
Introduction 339
The three-step test in international law and the EU's commitments 339
The introduction and proliferation of the three-step test in international law 339
The scope of the international three-step test 341
The implementation of the three-step test into EU law 343
The three-step test in the acquis 343
EU three-step test: limit to Member State discretion or subjective duty of every user? 345
The content of the EU three-step test 348

* While writing this chapter, the author received financial support from the Academy of Finland research project Fairness, Morality and Equality in International and European Intellectual Property Law (FAME-IP).

Concluding remarks 350
References 351
Case law 353
Dispute Settlement Body of the WTO 353
European Court of Human Rights 353
Court of Justice of the European Union 353
Supreme Court of the Netherlands 353

Introduction

It is probably fair to say that one of the most (in)famous norms in copyright law is the three-step test. At the same time, it is also one of the most mysterious norms. It provides a framework for permissible limitations and exceptions in many international agreements that guarantee a certain minimum level of copyright protection. However, despite it now being over 50 years old, the content of this norm is far from crystallized. Although its formulation is not exactly the same everywhere, the three-step test generally permits states to derogate from the minimum level of protection by introducing limitations and exceptions (i) in certain special cases that (ii) do not conflict with the normal exploitation of the work and that (iii) do not unreasonably prejudice the legitimate interests of the author/rightholder.

There is no broad consensus about how the ambiguous terms of the three-step test must be interpreted. In the European Union (EU), this issue has been all the more pressing ever since the three-step test found its way into a number of EU directives dealing with matters of copyright. Accordingly, the test now also limits via EU law the possibilities for the Member States to create limitations and exceptions to the rights of authors and of holders of related rights. The nature and scope of the EU version of the three-step test are arguably even more enigmatic. Is it merely a restatement of the international three-step test? Or does it provide even further reaching protection for the position of authors and other rightholders? And if so, how and to what extent? This chapter focuses on these questions. It starts with an overview of the EU's obligations under the international (versions of the) three-step test, followed by a critical (re)appraisal of the role and content of the EU test.

The three-step test in international law and the EU's commitments

The introduction and proliferation of the three-step test in international law

The three-step test was first introduced in the 1967 Stockholm Revision of the Berne Convention for the Protection of Literary and Artistic Works. Laid down in Article 9(2), the purpose of this provision was twofold: to enable Berne members to introduce limitations and exceptions to the newly introduced reproduction right of Article 9(1) as well as to define the limits of their discretion in this regard.[1] The EU is not a signatory to the Berne Convention, but it is bound to comply with Berne's substantive provisions as a result of other international commitments, specifically those following from the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) and the 1996 World Intellectual

1 Cf. Senftleben 2004, pp. 81–82.

Property Organization (WIPO) Copyright Treaty (WCT). As a result, the EU must comply with Articles 1 to 21 and the Appendix of Berne.[2]

The three-step test first received a broader reach in Article 13 of the TRIPS Agreement, with which the EU has to comply as a member of the World Trade Organization (WTO). This provision, which only applies to rights in "works", stipulates more generally that limitations and exceptions to "exclusive rights" must comply with the three-step test. Because Berne's substantive provisions are incorporated into TRIPS, Article 13 arguably acts as an additional constraint on the implementation of the specific limitations and exceptions permitted by Berne.[3] At the same time, however, Article 13 does not permit the introduction of new limitations and exceptions to Berne rights beyond those enumerated in Berne.[4]

The WCT, ratified by the EU together with its sibling, the WIPO Phonograms and Performances Treaty (WPPT), further entrenched the three-step test into international copyright law. Its Article 10(1) requires that limitations and exceptions to the rights guaranteed therein comply with the three-step test.[5] Like Article 13 of TRIPS, Article 10(2) WCT also requires states to comply with the three-step test when implementing any limitation or exception to Berne rights,[6] although, also like Article 13 TRIPS, Article 10 WCT cannot be relied upon to introduce new limitations and exceptions to rights guaranteed in Berne.[7] Meanwhile, the WPPT expanded the reach of the three-step test into the domain of related rights, albeit only in respect of rights guaranteed in that treaty.

The international commitments of the EU are thus in principle the following. Limitations and exceptions to authors' rights guaranteed in Berne, TRIPS and the WCT, and to neighboring rights guaranteed by the WPPT must in principle not go beyond the limits set by the three-step test.[8] Moreover, limitations and exceptions to Berne rights must have a

2 See Article 9(1) TRIPS and Article 1(4) WCT, respectively. Note that under TRIPS states have no "rights or obligations […] in respect of the rights conferred under Article 6*bis* of [Berne]".

3 Ficsor 2002, p. 155, Ricketson 2003, p. 49 ff, Ricketson & Ginsburg 2005, para 13.108ff, Senftleben 2004, p. 90 and von Lewinski 2008, para 10.83. See, however: Bently & Aplin 2018, pp. 13–14 (suggesting that the (mandatory) quotation exception in Article 10(1) of Berne should not be constrained by the TRIPS three-step test (nor by the WCT three-step test, addressed below); Geiger, Gervais & Senftleben 2015, p. 170 (arguing the TRIPS test only applies to "new" rights and to exceptions and limitations "not provided specifically in Berne"); Ricketson 2003, pp. 52–53; and Ricketson & Ginsburg 2005, para 13.112 (pointing to the logical incompatibility of the concurrent application of some specific Berne exceptions and the TRIPS test).

4 This can be inferred from the non-derogation provision in Article 2(2) of TRIPS as well as Article 20 Berne Convention. Cf., e.g., Goldstein & Hugenholtz 2013, p. 377, Ricketson 2003, p. 49, Ricketson & Ginsburg 2005, paras 13.102–13.103 and von Lewinski 2008, para 10.84. For some caveats, see Ricketson & Ginsburg 2005, paras 13.98–13.100.

5 Cf., however, Christie & Wright 2014, pp. 417–419, who argue that the language of Article 10(1) WCT suggests that "does not restrict permissible exceptions and limitations to only those that conform to those requirements" (at 419).

6 Cf. Ficsor 2002, p. 163, Senftleben 2004, p. 97 and von Lewinski, para 17.85. Note, however, the second paragraph of the Agreed statement concerning Article 10 ("It is also understood that Article 10(2) neither reduces nor extends the scope of applicability of the limitations and exceptions permitted by the Berne Convention."). Ricketson & Ginsburg 2005, para 13.128 point out that, consequently, to the extent that Berne exceptions and limitations go beyond the three-step test, they cannot be "trumped" by the three-step test.

7 Cf., e.g., Goldstein & Hugenholtz 2013, p. 377, Ricketson & Ginsburg 2005, para 13.128, Senftleben 2004, p. 97 and von Lewinski 2008, para 17.85.

8 See also Article 11 of the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled, which includes a reference to Article 9(2) Berne, Article 13 TRIPS and Article 10(1) and 10(2) WCT and emphasizes that measures adopted in order to apply the treaty must comply with each of those provisions to the extent that a contracting state is bound by them.

basis directly in that Convention. Notable exceptions from the scope of application of the three-step test are the rights of performers, phonogram producers and broadcasting organizations guaranteed by Article 14 of TRIPS. In accordance with Article 14(6), limitations and exceptions are permitted to the extent that they are allowed by the Rome Convention.[9] Nevertheless, the three-step test may indirectly affect the scope of such limitations and exceptions since Article 15(2) of the Rome Convention permits its contracting states to provide the "same kinds of limitations with regard to the protection of performers, producers of phonograms and broadcasting organisations, as it provides for […] in connection with the protection of copyright in literary and artistic works".

The scope of the international three-step test

What are the limits set by the three-step test in Berne, TRIPS, the WCT and the WPPT? Suffice it to say, the answer to that question is easy nor uncontroversial. On a general note, it must be observed that the scope of the three-step test is not necessarily the same under all of these agreements,[10] although – as Ricketson and Ginsburg point out – any "differences may be more apparent than real".[11] There are few textual differences – notably, TRIPS' reference to the legitimate interests of "rightholders" suggests also interests of successors in title must be considered. The main difference is arguably found in their different contexts and objectives. In respect of TRIPS, for instance, one might infer from its character as a trade agreement and the exclusion of moral rights from its scope that non-economic interests of authors need not be considered under its three-step test and that accordingly states cannot turn to WTO dispute settlement if those interests are ignored.[12] Furthermore, while Berne historically is squarely aimed at the protection of the rights of authors, the three later agreements more strongly emphasize the importance of the taking account of different rights and interests.[13] This may foster the argument that the three-step tests in TRIPS, the WCT and the WPPT are more permissive than the one in Berne.[14]

As to the specific interpretation of the three "steps" of the international three-step test(s), concrete guidance is lacking. Some can be found in the *travaux* for the Stockholm Revision of the Berne Convention, in particular, with regard to the third step.[15] Perhaps most notably, it was suggested that an unreasonable prejudice may be rendered reasonable if the law provides for the payment of an equitable remuneration.[16] Accordingly, the outcome of the test may be that exclusivity should be guaranteed, that remuneration may suffice, or that the user may be completely exempt from any obligation toward the rightholder. However, how the boundaries between these different outcomes must be drawn, remains unclear.

9 International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, adopted at Rome on 26 October 1961.

10 See, for an extensive analysis in this regard, Christie & Wright 2014.

11 Ricketson & Ginsburg 2005, para 13.102. See also Ricketson 2002, p. 47.

12 Cf. Ricketson & Ginsburg 2005, para 13.104. See also Ricketson 2002, p. 49.

13 Cf. the emphasis on "underlying public policy objectives" in the preamble of TRIPS and its Article 7, the reference to "balance" and "larger public interest" in the preambles to the WCT and to the WPPT, and the Agreed Statement No. 9 concerning Article 10 WCT and the similar Agreed Statement No. 15 concerning Article 16 WPPT.

14 Cf. Kur 2011, pp. 253–255 and Ricketson & Ginsburg 2005, para 13.102.

15 For a discussion, see Ricketson & Ginsburg 2005, para 13.03ff and Senftleben 2004, p. 43ff.

16 See WIPO, *Records of the Intellectual Property Conference of Stockholm 1967 (June 11 to July 14, 1967). Volume II* (Geneva 1971), pp. 1145–1146, cited (and quoted) by Ricketson & Ginsburg 2005, para 13.25.

There has been much (academic) debate about how the test can be construed in a way that avoids a crippling of the competence of national legislatures to adopt limitations and exceptions that fit local social, cultural and economic needs. A lot of this debate has been fueled by the well-known 2000 WTO panel decision concerning the compliance with TRIPS of certain exceptions for public performances of musical works in the US Copyright Act.[17] At all stages, the Panel strongly emphasized the potential harm to the economic position of the rightholder, while paying scant attention to underlying policy objectives. In particular, its interpretation of the second step is notorious. It concluded that a conflict with the normal exploitation exists if the exempted uses enter into economic competition with the rightholders' exploitation of the work and "thereby deprive them of significant or tangible economic gains",[18] in which assessment not only actual forms of exploitation must be considered but also "those forms of exploitation which, with a certain degree of likelihood and plausibility, could acquire considerable economic or practical importance".[19] As a result, all conventional limitations and exceptions, regardless of their normative importance, may ultimately come under threat if the creation of some kind of licensing scheme is conceivable. This seems a far too expansive understanding of the second step.

Suggestions to avoid such restrictive outcomes are numerous and varied. The well-known Declaration on a Balanced Interpretation of the "Three-Step Test" in Copyright Law, for instance, suggested that the three steps should be approached as factors to be considered in one overall assessment comparable to US fair use.[20] Other notable suggestions have focused on curbing the notion of "normal exploitation", either quantitatively by limiting it to major sources of revenue or exploitation of the work as such,[21] or qualitatively by emphasizing that what is "normal" exploitation ought to be determined by reference to normative considerations.[22]

This is not the place to argue in detail about the scope of the international three-step test. One element of the test, in particular, much be stressed, however. That is the broad margin of discretion that appears inherent in the test, something entirely ignored by the WTO Panel.[23] The three-step test, in particular, the third step, is widely recognized as requiring a balancing of interests or proportionality analysis.[24] Balancing and proportionality are ultimately about (moral) justification: can a certain outcome be justified in light of competing reasons?[25] Understood this way, the three-step test is about whether a state's choice for

17 For extensive analysis see, e.g., Brennan 2002, Ficsor 2002, p. 185ff., Ginsburg 2001 and Oliver 2001. See also, Senftleben 2006, who also discusses panel reports concerning the interpretation of the three-step test in Article 30 TRIPS (concerning patents) and in Article 17 TRIPS (concerning trade marks).

18 Dispute DS160, *United States – Section 110(5) of the US Copyright Act*, para 6-183.

19 *Ibid*., para 6-180.

20 See Geiger, Griffiths & Hilty 2008. See, similarly, Geiger 2006, pp. 697–698 and Koelman 2006, p. 410. Lucas 2010, p. 281 has rejected this interpretation as incompatible with the text of the three-step test. For a counterargument see, generally, Goold 2017 and Kur 2011, p. 242ff.

21 E.g., Dusollier 2005, p. 220, Geiger 2006, p. 697, Hugenholtz & Okediji 2008, p. 24, Quintais 2017, p. 202 and Senftleben 2004, p. 194.

22 E.g., Geiger, Gervais & Senftleben 2015, pp. 176–179, Geiger, Griffiths & Hilty 2008, p. 492, Ginsburg 2001, p. 53, Koelman 2006, p. 410, Quintais 2017, p. 203, Ricketson 2003, p. 25 and Ricketson & Ginsburg 2005, paras 13.20–13.22.

23 Critical in this regard is also Grosse Ruse-Kahn 2016, para 12.45.

24 Cf., e.g., Geiger 2006, p. 697ff, Geiger, Gervais & Senftleben 2015, p. 176, Gervais 2005, pp. 18–19, Ginsburg 2001, p. 57, Goldstein & Hugenholtz, p. 378, He 2009, p. 294ff., Hugenholtz & Okediji 2008, p. 25, Kur 2011, pp. 248–249, Ricketson 2003, pp. 24–26, Ricketson & Ginsburg 2005, paras 13.21 & 13.24, Senftleben 2004, pp. 243b–244 and von Lewinski, para 5.184.

25 This is certainly true – in the context of fundamental rights adjudication – for those who explicitly cast proportionality analysis as a process of moral reasoning, such as Kumm 2010, Möller 2012 and Stacey 2019.

exclusivity, remuneration or free use can be reasonably justified, not whether it represents an optimal reconciliation of those reasons. Such a justification discourse inevitably boils down to the question whether there exists an acceptable trade-off between the objectives undergirding the rights granted to authors/(related) rightholders and the public interest or legitimate user interests and thus requires one to grapple with the question why "the rights of authors"[26] are privileged in the first place. Since the answer to that question has always varied from state to state, they logically will strike the balance differently, and must be left a considerable discretion in this regard. This form of "cultural discretion" can be compared to the wider margin of appreciation granted to states by the European Court of Human Rights in cases concerning the requirements of morals, given the lack of a European consensus in that regard.[27] Further discretion may follow from the fact that states must make evaluations that ought not be supranationally dictated, for instance, concerning the financial harm that a partial or total exemption may cause as well as how that harm must be qualified relative to the weight given to the public interest.[28] Such an approach also does justice to the historical origins of the international three-step test as an open-ended compromise solution aimed at permitting states to maintain their individual approaches to limitations and exceptions.[29] As noted, the second step ought not form an almost unsurmountable obstacle, whether itself understood as a component of the proportionality analysis or not.

The implementation of the three-step test into EU law

The three-step test in the acquis

Different variations of the three-step test can be found in all EU directives that include provisions on limitations and exceptions to copyright. Its first introduction into EU law was in Article 6 of the 1991 Software Directive,[30] albeit in truncated form. It merely provided that the decompilation exception provided for in that Article must "[i]n accordance with the provisions of the Berne Convention … not be interpreted in such a way as to allow its application to be used in a manner which unreasonably prejudices the rightholder's legitimate interests or conflicts with a normal exploitation of the computer program".[31] A reference to the

It is also true, however, for well-known commentators such as Robert Alexy and Aharon Barak, whose approaches to proportionality can nominally be characterized as revolving around a cost-benefit analysis, but who ultimately view balancing as an exercise in moral reasoning. See, e.g., Barak 2012, p. 342 ("[balancing] is of a value-laden nature" and a "moral nature") and Alexy 2014, pp. 58–59 ("The weight formula [Alexy's formal characterization of the balancing process; DJ] is not an alternative to moral argument, but a structure of legal and moral argumentation").

26 Cf. Ricketson & Ginsburg 2005, para 13.22, who recognize that states ought to have a certain margin of discretion in determining what constitutes a "normal" exploitation by balancing non-economic purposes and "the rights of authors". However, in determining what weight must be assigned to those rights, debate about their justification is inevitable.

27 Cf. the well-known *Handyside* decision (Decision of the European Court of Human Rights (Plenary), in the case of *Handyside v. United Kingdom*, Appl. No. 5493/72 of 7 December 1976, para 48).

28 On this, cf. Jongsma 2019, para 168.

29 Cf. Geiger 2007, p. 487, Koelman 2006, p. 407 and Westkamp 2008, pp. 11–12.

30 Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs, OJ L 122, 17 May 1991, pp. 42–46.

31 See also the current Article 6(3) of Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (Codified version), OJ L 111, 5 May 2009, pp. 16–22, which repealed and replaced the earlier directive.

three-step test can also be found in the Database Directive,[32] the Rental and Lending Rights Directive,[33] (the preamble to) the Orphan Works Directive,[34] the Directive implementing the Marrakesh Treaty[35] and most recently (the preamble to) the DSM Directive.[36] The most notable incarnation of the three-step test in EU copyright law is undoubtedly found in Article 5(5) of the 2001 InfoSoc Directive,[37] which stipulates that:

> The exceptions and limitations provided for in paragraphs 1, 2, 3 and 4 shall only be applied in certain special cases which do not conflict with a normal exploitation of the work or other subject-matter and do not unreasonably prejudice the legitimate interests of the rightholder.[38]

Due to the horizontal and general nature of the InfoSoc Directive (harmonizing the reproduction right, right of communication to the public and distribution right, for all categories of works, in general), it is this version of the three-step test which is – understandably – the subject of most attention. The precise nature of the three-step test in the InfoSoc Directive has been the subject of great debate from the moment of its proposal. Does it merely act as a limit to be respected by Member State legislatures when giving more concrete shape to the limitations and exception in the InfoSoc Directive? Or is it a substantive norm to be implemented into national law and which consequently can be invoked against users seeking to rely on a limitation or exception? The latter might be derived from its commanding language ("exceptions and limitations […] shall only be applied"), which deviates from the earlier formulation used in the 1991 Software Directive (and also the Database Directive), which is more reserved in merely providing that the Directive itself should not be interpreted in a way that conflicts with Berne.[39]

The remainder of this chapter focuses on two intertwined questions: (i) At what stage does the EU three-step test, in particular, that in the InfoSoc Directive, take effect? And (ii), what is the content of the EU three-step test?

32 See, principally, Article 6(3) of Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, OJ L 77, 27 March 1996, pp. 20–28. See also Article 7(5) and 8(2).

33 Article 10(3) of Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version), OJ L 376, 27 December 2006, pp. 28–35. The first version of the Rental and Lending Rights Directive, adopted in 1992, did not yet include a version of the three-step test. It was added to that directive with the adoption of the InfoSoc Directive, by Article 11(1)(b) (see *infra* note 37).

34 Recital 20 in the Preamble to Directive 2012/28/EU of the European Parliament and of the Council of 25 October 2012 on certain permitted uses of orphan works, OJ L 299, 27 October 2012, pp. 5–12.

35 Article 3(3) of Directive (EU) 2017/1564 of the European Parliament and of the Council of 13 September 2017 on certain permitted uses of certain works and other subject matter protected by copyright and related rights for the benefit of persons who are blind, visually impaired or otherwise print-disabled and amending Directive 2001/29/EC on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 242, 20 September 2017, pp. 6–13.

36 Recital 6 in the Preamble to Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17 May 2019, pp. 92–125.

37 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22 June 2001, pp. 10–19.

38 It must be pointed out that the EU directives invariably refer to legitimate interests of "rightholders", even when the directive in question is otherwise only concerned with the rights of authors. As with TRIPS, this invites the argument that also the interests of (potential) successors in title must be considered.

39 For a comparison of the textual different, see also Hugenholtz et al. 2006, pp. 69–70.

EU three-step test: limit to Member State discretion or subjective duty of every user?

As I suggested in the previous section, from the moment the InfoSoc Directive was first proposed there has been an intensive debate as to the ultimate addressees of its three-step test: merely the Member State legislatures or also national courts? Member States diverged in their approach to implementation. Some have implemented the test into national law, while others took the view that the specific limitations and exceptions were drafted and to be interpreted in a manner that complies with the test, and that consequently no separate implementation was necessary.[40] The debate surrounding the nature of the test has been excellently summarized by Richard Arnold and Eleonora Rosati in a 2015 article and need not be extensively repeated here.[41] However, their conclusion that the test likely must be implemented, is not unconditionally shared here.

It is important to note that the question as to the possible "addressee" of the three-step test may be misleading. This question touches on two separate, although connected, issues. First, whether the Member States are required to transpose the test directly into national law and, second, whether the test not merely acts as a limit on discretion to implement limitations and exceptions, in general, but also as a norm with which specific acts need to comply.

One must be careful not to cast the first issue in terms of whether national courts are obliged to interpret national implementations of limitations of exceptions in light of the three-step test. This obligation exists regardless of implementation of the three-step test, in accordance with the doctrine of consistent interpretation (or indirect effect) first developed in *Von Colson* and *Marleasing*.[42] Accordingly, when determining the scope of a particular limitation a national court must in principle not adopt an interpretation that would violate the three-step test, even if the test itself has not been transposed into national law.[43] The boundary of this obligation is found where an interpretation commanded by the three-step test would require the national court to go *contra legem*.[44] It is here where the lack of implementation of the test bites. Only in Member States where the three-step test itself has been implemented will it be possible for national courts to disapply a specific limitation or exception for violating the test if an interpretation of that provision in accordance with the test is not possible. After all, directives have no direct effect between individuals,[45] meaning that if a Member State has failed to implement it users must be able to rely on such limitations and exceptions.[46]

40 For an overview of the implementation of Article 5(5) InfoSoc Directive by the Member States, see Westkamp 2007, pp. 92–94. His report does not cover Croatia, Bulgaria or Romania, which joined the EU later, but it appears all three require that the application of limitations or exceptions comply with (the second and third steps of) the three-step test (respectively, Article 80 of the Croatian Copyright and Related Rights Act, Article 23 of the Bulgarian Copyright and Neighbouring Rights Act, and Article 33(1) of the Romanian Law on Copyright and Neighbouring Rights).

41 Arnold & Rosati 2015.

42 Case 14/83 *Von Colson and Kamann v Land Nordrhein-Westfalen* ECLI:EU:C:1984:153, para 28 and Case C-106/89 *Marleasing v Comercial Internacional de Alimentación* ECLI:EU:C:1990:395, para 8. Cf. Bechtold 2006, p. 382.

43 Cf., e.g., the case law discussed by Griffiths 2009, p. 434ff.

44 E.g., in a decision concerning copyright, Case C-351/12 *OSA* ECLI:EU:C:2014:110, para 45.

45 E.g., *Ibid*., para 47.

46 I therefore disagree with the suggestion by Arnold and Rosati 2015, p. 1196 that even in those Member States courts might have to disapply a particular limitation or exception if the act under consideration violates the three-step test. Of course, the limitation or exception under consideration must be interpreted so far as possible in conformity with EU law, including the three-step test. If the national provision includes, e.g., an open

Obviously, the potential disapplication and to a lesser extent also an interpretation in light of the three-step test of limitations and exceptions create a certain degree of legal uncertainty.[47] This legal uncertainty may be limited if the EU three-step test is merely understood as an obligation to respect the (arguably) wide boundaries set by international law, as is more explicit in the variations of the test in the Software and Database Directives.[48] That this was the intention also behind the InfoSoc Directive three-step test can be inferred from both the Explanatory Memorandum and the preamble to the Directive.[49] The former notes that "[a]s stressed in [Article 5(5)], the application of the exceptions and limitations provided in this Article must follow the established principles enshrined in [Berne, TRIPS, the WCT and the WPPT]".[50] The latter affirms that "[w]hen applying the exceptions and limitations provided for in this Directive, they should be exercised in accordance with international obligations", adding that "[s]uch exceptions and limitations may not be applied in a way which prejudices the legitimate interests of the rightholder or which conflicts with the normal exploitation of his work or other subject-matter".[51] If one understands the EU three-step test as principally an instruction to respect international legal obligations, or even more generally as a limit on legislative discretion, the choice not the implement it is sensible. The result to be achieved – respect for the boundaries set by the test – can be principally obtained by drafting and interpreting limitations and exceptions accordingly. To the extent that a Member State has failed to adhere to the test, rightholders may of course have a *Francovich* claim against that state for the incorrect transposition of the Directive.[52]

By contrast, an obligation to implement the EU three-step test seems presupposed if one instead construes the test as applying to specific acts, that is as requiring that any act consisting of a *prima facie* copyright infringement itself also fulfil the conditions of the three-step test. This transforms the nature of the test from a limit on state discretion to a norm with which users themselves need to comply. The result is greater legal uncertainty, because the test would no longer concern the review of the exercise of discretion, but rather a determination of whether, on balance, the use must be permitted or not in a way similar to US fair use. If that is the case, we would indeed end up with a "worst case scenario", as suggested by Martin Senftleben, in which an inflexible closed system of limitations and exceptions is subjected to the legal uncertainty of a fair use type norm.[53]

Three decisions by the Court of Justice of the European Union (CJEU), *FAPL*, *PRCA* and *Ulmer*,[54] could be understood as reading in the InfoSoc three-step test precisely such an obligation

norm which permits taking account of the three-step test, it can be taken into consideration when giving content to that norm.

47 Cf. the criticism of the "dangerous mutations" of the test effected by EU law by Geiger 2007, p. 489.

48 Cf., *supra*, n 39 and accompanying text. The same is arguably true for later directives that merely refer to the three-step test in their preambles.

49 The same arguably applies to the three-step test in the Rental and Lending Rights Directive, which was added thereto by Article 11(1)(b) InfoSoc Directive, ostensibly to implement its obligations under the WPPT, although – probably inadvertently – it also subjects limitations and exceptions to related rights not guaranteed by the WPPT to the rigors of the three-step test.

50 Proposal for a European Parliament and Council Directive on the harmonization of certain aspects of copyright and related rights in the Information Society (Brussels, 10 December 1997, COM(97) 628 Final), p. 32.

51 Recital 44 in the Preamble to the InfoSoc Directive.

52 Cf. Case C-6/90 *Francovich and Bonifaci v Italy* ECLI:EU:C:1991:428.

53 Cf. Senftleben 2010, para 11ff.

54 Joined Cases C-403/08 and C-429/08 *Football Association Premier League and Others (FAPL)* ECLI:EU:C:2011:631, para 181, Case C-117/13 *TU Darmstadt v Eugen Ulmer* ECLI:EU:C:2014:2196, para 56 and Case C-360/13 *Public Relations Consultants Association (PRCA)* ECLI:EU:C:2014:1195, para 53.

for users to comply with the test.[55] Ultimately, however, the CJEU appears to have steered away from such an interpretation of the test. Although in *FAPL* and *PRCA* the CJEU indeed considered, in cases concerning the mandatory exception for temporary copies of Article 5(1) InfoSoc Directive, that the acts under consideration must also themselves fulfil the conditions of the three-step test, the Court altered its approach in its latest decision dealing with that provision. In *Filmspeler*, the CJEU instead considered that the exception itself must be interpreted "in the light of Article 5(5)". Specifically, it concluded that such copies cannot be considered a "lawful use" within the meaning of the exception given the boundaries set by the three-step test.[56]

In *Ulmer*, the CJEU likewise suggested that certain private copies made by library users in publicly accessible libraries themselves "must observe the conditions set out in Article 5(5)".[57] However, one can equally understand this as a somewhat awkwardly formulated instruction to Member States to ensure that the scope of the exception or limitation itself respects the boundaries of the three-step test, given that the Court's main intention appeared to have been to emphasize that Member States are permitted to provide for a limitation or exception for the use in question in the first place.[58] In that vein, the CJEU had already considered in that same ruling that Member States are also permitted to introduce an exception allowing publicly accessible libraries to digitize certain works, but that the permissible scope of such a "right of digitisation must be determined by interpreting Article 5(2)(c) of Directive 2001/29 in the light of Article 5(5) of that directive".[59] The Court added, in essence, that the national law respected the boundaries of the three-step test because the digitization was subject to certain conditions and because the subsequent making available to library users required payment of adequate remuneration.[60] This also suggests – in my opinion correctly – that where national law provides for remuneration, it should be allowed to draw the boundaries of the limitations and exceptions permitted by EU law more broadly.[61]

In the most recent decisions in which the CJEU referred to the three-step test, the Court explicitly characterized the InfoSoc test as a limit to Member State discretion. In *Funke Medien* and *Spiegel Online*, the Court emphasized that Member States may "enjoy significant discretion" when implementing limitations and exceptions, but that this discretion is *inter alia* circumscribed by the three-step test.[62] This echoed what it had held on earlier occasions, namely that the three-step test of the InfoSoc Directive does not affect the "substantive content" of the provisions of that directive themselves, but that Member States must ensure to comply with it when introducing one of the limitations or exceptions permitted by that directive.[63] At the same time, to the extent the terms of the provisions in the InfoSoc Directive

55 Cf. Arnold & Rosati 2015, pp. 1198–1199.

56 Case C-527/15 *Stichting Brein v Wullems (Filmspeler)* ECLI:EU:C:2017:300, para 59ff. Note that in a case like this the application of the three-step test itself does not contribute to any legal uncertainty. This uncertainty originates in the open texture of the norm itself.

57 *Ulmer* (*supra*, n 54), para 56.

58 *Ibid*., para 55.

59 *Ibid*., para 43ff.

60 *Ibid*., para 48.

61 Cf. in this regard the proposal by Senftleben 2019, pp. 22–23, who suggests that Member States can create a limitation permitting transformative online user-generated content, based on Article 5(3)(k) InfoSoc Directive, provided that the rightholder is entitled to equitable remuneration.

62 Case C-469/17 *Funke Medien NRW (Afghanistan Papers)* ECLI:EU:C:2019:623, paras 43 & 52 and Case C-516/17 *Spiegel Online* ECLI:EU:C:2019:625, paras 28 & 37.

63 See Case C-462/09 *Stichting de Thuiskopie* ECLI:EU:C:2011:397, para 21, Case C-145/10 *Painer* ECLI:EU:C:2011:798, para 110, Case C-435/12 *ACI Adam and Others* ECLI:EU:C:2014:254, paras 25–26 and Case C-463/12 *Copydan Båndkopi* ECLI:EU:C:2015:144, para 90.

permitting for limitations and exceptions are themselves open to interpretation, this must be done in light of the three-step test.[64] Understood this way, the EU three-step test principally sets limits to Member State discretion but also limits the CJEU's own discretion when it interprets EU law.[65] Such a more abstract approach does better justice to the nature of the test, which is ultimately about guiding a state's choice between exclusivity, remuneration, and free use. Any one act does not violate the three-step test; it is a state's exemption from liability of such acts, altogether or against compensation, which may violate it.[66] As such, it needs no separate implementation.

The content of the EU three-step test

In a few decisions the CJEU has made substantive use of the test to determine the content of (and boundaries set by) EU law. Its approach is underdeveloped. As argued above,[67] the three-step test entails a proportionality analysis with an inherent margin of discretion for its addressees: can the costs imposed by a certain measure be justified by reference to the public interest or the rights of individuals that the measure aims to safeguard? In the CJEU's assessment this justification discourse is nowhere to be found. Its use of the test is one-sided – focused solely on rightholders – and the meaning given to the individual steps highly contentious. Consequently, the Court's approach to the three-step test also undermines the fair balance that according to the Court itself must be struck between the rights of rightholders and those of users and the general interests when implementing, interpreting and applying the various directives on copyright.[68] Ultimately, these decisions may invite the criticism that the CJEU uses the test as a way to justify outcomes it deems just without providing full reasons for that outcome, due to the Court's arguably inconsistent application of the test, both within and across decisions.[69]

Concerning the three-step test in the Rental and Lending Rights Directive, the CJEU ruled in *Phonographic Performance (Ireland)* that Member States may not exempt hotel operators from the obligation to pay an equitable remuneration to performers and phonogram producers when making a communication to the public (provided for in Article 8(2)), in part because it would run counter to the three-step test. It would do "unjustified harm to the legitimate interests of protected artists or performers", adding only that the use by hotels would amount to commercial exploitation.[70]

64 Case C-5/08 *Infopaq International* ECLI:EU:C:2009:465, para 58, Case C-351/12 *OSA* ECLI:EU:C:2014:110, para 40, *Ulmer* (*supra*, n 54), para 47 and *Filmspeler* (*supra*, n 56), para 63. One outlier must be mentioned: in Case C-302/10 *Infopaq II* ECLI:EU:C:2012:16, para 56 the CJEU had considered that if certain acts of reproduction met all the conditions of the exception provided in Article 5(1) InfoSoc Directive, they would also comply with the three-step test. In later decisions concerning Article 5(1) the CJEU appears to have abandoned this approach.

65 Cf. the Opinion of Advocate General (AG) Szpunar in Case C-265/16 *VCAST v RTI* ECLI:EU:C:2017:649, para 58.

66 This also does better justice to the wording of the three-step test, since an interpretation of the test to the contrary would transform it into a two-step test, as the first step loses relevance when applied to specific uses. Cf. Gervais 2005, p. 31, Gervais 2008, p. 15 and Hugenholtz & Senftleben 2011, p. 18.

67 See, *supra*, n 24 and accompanying text.

68 Cf., e.g., *Funke Medien* (*supra*, n 62), paras 51 & 53 and *Spiegel Online* (*supra*, n 62), paras 36 & 38. Appropriately, the CJEU notes in both decisions that the three-step test "contributes to the fair balance" (para 61 & 46, respectively).

69 On the risk of such opportunistic use of the three-step test, see Griffiths 2009, p. 448.

70 Case C-162/10 Phonographic Performance (Ireland) ECLI:EU:C:2012:141, paras 75–76. It can be pointed out that it is difficult to apply the three-step test as traditionally conceived of to a remuneration right as this. After all, the rightholder already no longer has control over the exploitation themselves, so the question as to conflict with

In the other decisions the CJEU elaborated on the content of the InfoSoc test. Only in one of those, *PRCA*, did the Court refer to the first step, when considering that the on-screen and cached copies of works made in the process of viewing a website do *not* violate the three-step test. Since those copies are only made for the purpose of viewing websites, they constitute a special case.[71] This says little about how the Court understands this step, that is whether as simply requiring the exception be quantitatively narrow in scope, or (also) as qualitatively requiring a legitimate purpose.[72]

The CJEU has been slightly more elaborate with regard to the second and third steps. However, as noted, its approach is – arguably – underdeveloped. In *ACI Adam* and *Filmspeler*, the Court's understanding of both steps was similar. In the former, the CJEU ruled that Member States may not extend the scope of the private copying exception (Article 5(2)(b) InfoSoc Directive) to copies made from unlawful sources. In the latter, it held that the mandatory exception for temporary copies (Article 5(1) InfoSoc Directive) does not apply to copies made using certain multimedia players when streaming works from websites that make those works available without authorization. In both cases the Court laconically held that permitting such uses would conflict with the normal exploitation because permitting it would reduce the volume of lawful transactions.[73] In *Filmspeler* the Court concluded for the same reason that permitting the use would also "cause unreasonable prejudice to copyright holders".[74] In *ACI Adam*, the CJEU added that permitting private copying from unlawful sources would unreasonably prejudice the legitimate interests of rightholders because it would require them "to tolerate infringements of their rights which may accompany the making of private copies".[75]

This last argument seems non-sensical. If the making of private copies is indeed accompanied by infringements – the Court was unclear which it had in mind – these by definition do not need to be tolerated. The CJEU's approach is also problematic in another respect. One could argue that any free or remunerated uses reduce the volume of potential lawful transactions except in cases of market failure. This would result in untenable outcomes, similar to the WTO Panel decision discussed above. At the same time, the CJEU's conclusion hinges on several unsubstantiated assumptions, specifically that the use indeed reduces the volume of lawful transactions and that the market for such transactions actually exists.[76] Most importantly, the Court ignored competing consideration such as the right to private and family life and the right to access to information. In the case of *ACI Adam*, for instance, the question ought to have been whether the legislative choice to replace a (practically unenforceable) exclusive right with a remuneration right could be justified in light of such competing considerations. From the perspective of international law this is not by definition untenable,[77] although the same is certainly true for the opposite conclusion.

The CJEU appeared to have a different understanding of the different steps in *PRCA*, in which it held that the on-screen and cached copies of works made in the process of viewing a website do *not* violate the three-step test. Discussing the third step before the second,

normal exploitation is rendered moot. Indeed, as the CJEU essentially concluded, the question then solely revolves around the existence of an unreasonable prejudice with the legitimate interests of the rightholder.

71 *PRCA* (*supra*, n 54), para 55.

72 Cf., with regard to the international three-step test, Ricketson & Ginsburg 2005, paras 13.12–13.14.

73 *ACI Adam* (*supra*, n 63), para 39 and *Filmspeler* (*supra*, n 56), para 70.

74 *Filmspeler* (*supra*, n 56), para 70.

75 *ACI Adam* (*supra*, n 63), para 40 in conjunction with para 31.

76 Cf. the criticism by Linders & Alberdingk Thijm 2015, p. 16 and Quintais 2015, p. 88.

77 See to that effect the Opinion of AG Huydecoper of 11 May 2012, ECLI:NL:PHR:2016:1115, *ACI Adam et al. v Thuiskopie & SONT*, paras 63–70.

the Court emphasized that this does not unreasonably prejudice the legitimate interests of rightholders, because the publishers of the websites themselves must obtain authorization from the rightholders in order to make those works available to the public.[78] Had the CJEU applied this reasoning consistently in *ACI Adam* and *Filmspeler*, it ought to have concluded also in those cases that the use in question did not unreasonably prejudice the rightholders' interests. Of course, the appropriate question was not whether the legitimate interests of rightholders were properly safeguarded by their ability to authorize a different act intruding upon their exclusive rights, but whether the exemption from liability of the acts in question themselves unreasonably hurt those interests, specifically their interest to be remunerated for specifically those copies. The Court also held that the manner of viewing of websites in question "represents a normal exploitation of the works" and that since making on-screen and cached copies forms part of such viewing it does not conflict with that exploitation.[79] This is a somewhat mystifying statement that hints at an understanding of the second step far removed from any conventional interpretation thereof. Exploitation seems equated to the use by the user, not the rightholder. It suggests that copies made in the process of viewing (exploiting) a website are an inevitable part of that process and therefore do not conflict with it. Instead, the Court arguably ought to have asked whether controlling the making of such copies itself forms part of a "normal exploitation". This inevitably raises a normative issue. Answering that question in the affirmative undoubtedly would greatly increase the potential licensing income for many rightholders. At the same time, this would fundamentally undermine the functioning of the Internet. The question thus becomes one of assessing a trade-off between a reduced income for rightholders and safeguarding the functioning of the Internet and the associated fundamental rights to freedom of information and of expression.[80]

Concluding remarks

From the moment of its introduction into EU law, the three-step test has been an enigma of sorts. It was described both as a potential "threat to a balanced copyright law",[81] imposing strict requirements on the application of limitations and exceptions, as well as a potential "model provision for EC fair use legislation",[82] capable of infusing the closed system of limitation and exceptions with an air of flexibility. Although its nature and content are still not fully crystallized, it seems the Court ultimately views the three-step test primarily as a limit to Member State discretion. This is arguably in line with the legislative intention: the scope of the limitations and exceptions introduced by the Member States ought not exceed what is permitted by international law. As such, it is neither a threat to a balanced copyright law, nor a tool that necessarily adds flexibility.[83] Consequently, there is also no real need for Member States to transpose the three-step test.

78 *PRCA* (*supra*, n 54), paras 56–58.

79 *Ibid*., para 61.

80 Cf. in this regard Case C-160/15 *GS Media* ECLI:EU:C:2016:644, paras 44–45.

81 Geiger 2006.

82 Senftleben 2010.

83 See nonetheless Senftleben 2020, p. 13, who concludes that "the fundamental flaw of the EU copyright system remains: the three-step test in Article 5(5) [InfoSoc Directive] creates a bias against [limitations and exceptions]. It only allows judges to further restrict use privileges that have already been delineated narrowly in statutory law."

As far as actual use of the test is concerned, the CJEU ought to readjust its approach, which so far has been characterized by logical and conceptual inconsistencies – perhaps an indication that the Court has been unsure as to the precise nature and content of the test. Importantly, it should focus more closely on the justification discourse inherent in the test. In this analysis, the Court should not take a rightholder-centric approach, ignoring other rights and interests. In fact, those rights and interests should be emphasized in order to ensure that a fair balance is struck. Moreover, as a limit to discretion, it is appropriate for the CJEU to exercise certain restraint in determining whether Member States exceed that discretion. Similarly, national courts should not understand the three-step test as imposing strict limits, but focus on the question whether a certain limitation or exception can be justified in light of its underlying rationale as well as the protection due to the rightholder.

References

Alexy, R. (2014), "Constitutional Rights and Proportionality", 22 *Revus: Journal for Constitutional Theory and Philosophy of Law* 51–65.

Arnold, R., & Rosati, E. (2015), "Are National Courts the Addressees of the InfoSoc Three-step Test?", *Gewerblicher Rechtsschutz Und Urheberrecht Internationaler Teil* 1193–1200.

Barak, A. (2012), *Proportionality. Constitutional Rights and their Limitations* (Cambridge: Cambridge University Press).

Bechtold, S. (2006), "Information Society Directive", in: Dreier, T. & Hugenholtz, P.B. (eds.), *Concise European Copyright Law* (Alphen aan den Rijn: Kluwer Law International).

Bently, L., & Aplin, T. (2018), "Displacing the Dominance of the Three-Step Test: The Role of Global, Mandatory Fair Use" (University of Cambridge Faculty of Law Legal Studies Research Paper Series Paper No 33/2018), retrieved from <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3119056> (last accessed 2 August 2020).

Brennan, David J. (2002), "The Three Step Test Frenzy – Why the TRIPs Panel Decision Might Be Considered per Incuriam", *Intellectual Property Quarterly* 212–225.

Christie, A.F. & Wright, R. (2014), "A Comparative Analysis of the Three-step Tests in International Treaties", 45(5) *International Review of Intellectual Property and Competition Law* 409–433.

Dusollier, S. (2005), "L'encadrement des exceptions au droit d'auteur par le test des trois étapes", *Intellectuele Rechten / Droits Intellectuels* 212–222.

Ficsor, M. (2002), "How Much of What? The "Three-step Test" and its Application in Two Recent WTO Dispute Settlement Cases", 192 *Revue Internationale du Droit d'Auteur* 111–251.

Geiger, C. (2006), "The Three-step Test, a Threat to a Balanced Copyright Law?", 37(6) *International Review of Intellectual Property and Competition Law* 683–699.

Geiger, C. (2007), "From Berne to National Law, via the Copyright Directive: The Dangerous Mutations of the Three-step Test", 29(12) *European Intellectual Property Review* 486–491.

Geiger, C., Gervais, D., & Senftleben, M. (2015), "Understanding the 'Three-Step Test'", in: Gervais, D. (ed.), *International Intellectual Property. A Handbook of Contemporary Research* (Cheltenham; Northampton, MA: Edward Elgar), 167–189.

Geiger, C., Griffiths, J., & Hilty, R.M. (2008), "Towards a Balanced Interpretation of the 'Three-Step Test' in Copyright Law", 30(12) *European Intellectual Property Review* 489–496.

Gervais, D. (2005), "Towards a New Core International Copyright Norm: The Reverse Three-Step Test", 9 *Marquette Intellectual Property Law Review* 1–35.

Gervais, D. (2008), "Making Copyright Whole: A Principled Approach to Copyright Exceptions and Limitations", 5 *University of Ottawa Law & Technology Journal* 1–41.

Ginsburg, J.C. (2001), "Toward Supranational Copyright Law? The WTO Panel Decision and the "Three-Step Test" for Copyright Exceptions", 187 *Revue Internationale du Droit d'Auteur* 3–65.

Goldstein, P. & Hugenholtz, P.B. (2013), *International Copyright: Principles, Law, and Practice* (3rd ed., Oxford: Oxford University Press).

Goold, P.R. (2017), "The Interpretive Argument for a Balanced Three-Step Test", 33 *American University International Law Review* 187–230.

Griffiths, J. (2009), "The 'Three-step Test' in European Copyright Law – Problems and Solutions", *Intellectual Property Quarterly* 428–457.

Grosse Ruse-Kahn, H. (2016), *The Protection of Intellectual Property in International Law* (Oxford: Oxford University Press).

He, H. (2009), "Seeking a Balanced Interpretation of the Three-step Test – An Adjusted Structure in View of Divergent Approaches", 40(3) *International Review of Intellectual Property and Competition Law* 274–308.

Hugenholtz, P.B. & Okediji, R.L. (2008), Conceiving an International Instrument on Limitations and Exceptions to Copyright" (Final Report, IViR and University of Minnesota Law School), retrieved from <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2017629> (last accessed 2 August 2020).

Hugenholtz, P.B., & Senftleben, M. (2011), "Fair Use in Europe: In Search of Flexibilities", retrieved from <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1959554> (last accessed 2 August 2020).

Hugenholtz et al. (2006), *The Recasting of Copyright & Related Rights for the Knowledge Economy (final report)*, retrieved from <https://www.ivir.nl/publicaties/download/IViR_Recast_Final_Report_2006.pdf> (last accessed 2 August 2020).

Jongsma, D.J.W. (2019), *Creating EU Copyright Law: Striking a Fair Balance* (Helsinki: Hanken School of Economics), retrieved from <https://helda.helsinki.fi/dhanken/handle/10227/294110> (last accessed 2 August 2020).

Koelman, K.J. (2006), "Fixing the Three Step Test", 28(8) *European Intellectual Property Review* 407–412.

Kumm, M. (2010), "The Idea of Socratic Contestation and the Right to Justification: The Point of Rights-Based Proportionality Review", 4 *Law & Ethics of Human Rights* 140–175.

Kur, A. (2011), "Limitations and Exceptions under the Three-step Test – How Much Room to Walk the Middle Ground?", in: Kur, A. with Levin, M. (eds.), *Intellectual Property Rights in a Fair World Trade System: Proposals for Reform of TRIPS* (Cheltenham; Northamption, MA: Edward Elgar), 208–261.

Linders, D.M., & Alberdingk Thijm, C.A. (2015), "Case Comment on Case C-435/12 *ACI Adam and Others* ECLI:EU:C:2014:254", *Tijdschrift Voor Auteurs-, Media- & Informatierecht* 12–17

Lucas, A. (2010), "For a Reasonable Interpretation of the Three-step Test", 32(6) *European Intellectual Property Review* 277–282.

Möller, K. (2012), "Proportionality: Challenging the Critics", 10(3) *International Journal of Constitutional Law* 709–731.

Oliver, J. (2001), "Copyright in the WTO: The Panel Decision on the Three-Step Test", 25(2/3) *Columbia Journal of Law and the Arts* 119–170.

Quintais, J.P. (2015), "Private Copying and Downloading from Unlawful Sources", 46(1) *International Review of Intellectual Property and Competition Law* 66–92.

Quintais, J.P. (2017), "Rethinking Normal Exploitation: Enabling Online Limitations in EU Copyright Law", *Tijdschrift Voor Auteurs-, Media- & Informatierecht* 197–205.

Ricketson, S. (2003), "WIPO Study on Limitations and Exceptions of Copyright and Related Rights in the Digital Environment" (WIPO, SSCR/9/7), retrieved from <https://www.wipo.int/meetings/en/doc_details.jsp?doc_id=16805> (last accessed 2 August 2020)

Ricketson, S., & Ginsburg, J.C. (2005), *International Copyright and Neighbouring Rights. The Berne Convention and Beyond* (Oxford: Oxford University Press).

Senftleben, M. (2004), *Copyright, Limitations and the Three-step Test: An Analysis of the Three-step Test in International and EC Copyright Law* (The Hague: Kluwer Law International).

Senftleben, M. (2006), "Towards a Horizontal Standard for Limiting Intellectual Property Rights? – WTO Panel Reports Shed Light on the Three Step Test in Copyright Law and Related Tests in Patent and Trade Mark Law", 37(4) *International Review of Intellectual Property and Competition Law* 407–438.

Senftleben, M. (2010), "The International Three-Step Test: A Model Provision for EU Fair Use Legislation", 1 *JIPITEC* 67–82.

Senftleben, M. (2019), "User-Generated Content – Towards a New Use Privilege in EU Copyright Law", retrieved from <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3325017> (last accessed 2 August 2020).

Senftleben, M. (2020), "From Flexible Balancing Tool to Quasi-Constitutional Straitjacket – How the EU Cultivates the Constraining Function of the Three-Step Test", retrieved from <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3576019> (last accessed 2 August 2020).

Stacey, R. (2019), "The Magnetism of Moral Reasoning and the Principle of Proportionality in Comparative Constitutional Adjudication", 67 *The American Journal of Comparative Law* 435–475.
von Lewinski, S. (2008), *International Copyright Law and Policy* (Oxford: Oxford University Press).
Westkamp, G. (2007), *Study on the Implementation and Effect in Member States' Laws of Directive 2001/29/EC on the Harmonisation of Certain Aspects of Copyright and Related Rights in the Information Society. Part II: The Implementation of Directive 2001/29/EC in the Member States* (Brussels: European Commission).
Westkamp, G. (2008), "The Three-step Test and Copyright Limitations in Europe: European Copyright Law between Approximation and National Decision Making", 56(1) *Journal of the Copyright Society of the U.S.A.* 1–65.

Case law

Dispute Settlement Body of the WTO

Dispute DS160, *United States – Section 110(5) of the US Copyright Act*.

European Court of Human Rights

Decision of the European Court of Human Rights (Plenary), in the case of *Handyside v. United Kingdom*, Appl. No. 5493/72 of 7 December 1976.

Court of Justice of the European Union

Case 14/83 *Von Colson and Kamann v Land Nordrhein-Westfalen* ECLI:EU:C:1984:153.
Case C-106/89 *Marleasing v Comercial Internacional de Alimentación* ECLI:EU:C:1990:395.
Case C-6/90 *Francovich and Bonifaci v Italy* ECLI:EU:C:1991:428.
Joined Cases C-403/08 and C-429/08 *Football Association Premier League and Others (FAPL)* ECLI:EU:C:2011:631.
Case C-462/09 *Stichting de Thuiskopie* ECLI:EU:C:2011:397.
Case C-145/10 *Painer* ECLI:EU:C:2011:798.
Case C-162/10 Phonographic Performance (Ireland) ECLI:EU:C:2012:141.
Case C-302/10 *Infopaq II* ECLI:EU:C:2012:16.
Case C-117/13 *TU Darmstadt v Eugen Ulmer* ECLI:EU:C:2014:2196.
Case C-351/12 *OSA* ECLI:EU:C:2014:110.
Case C-360/13 *Public Relations Consultants Association (PRCA)* ECLI:EU:C:2014:1195.
Case C-435/12 *ACI Adam and Others* ECLI:EU:C:2014:254.
Case C-463/12 *Copydan Båndkopi* ECLI:EU:C:2015:144.
Case C-160/15 *GS Media* ECLI:EU:C:2016:644.
Case C-527/15 *Stichting Brein v Wullems (Filmspeler)* ECLI:EU:C:2017:300.
Case C-469/17 *Funke Medien NRW (Afghanistan Papers)* ECLI:EU:C:2019:623.
Case C-516/17 *Spiegel Online* ECLI:EU:C:2019:625.

Supreme Court of the Netherlands

Opinion of Advocate General Huydecoper of 11 May 2012, ECLI:NL:PHR:2016:1115, *ACI Adam et al. v Thuiskopie & SONT.*



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

SECTION V

Copyright enforcement

The technological and cross-border dimensions



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

18

WEBSITE BLOCKING UNDER EU COPYRIGHT LAW

*Jan Bernd Nordemann**

Abstract

Structurally copyright infringing websites infringe copyrights and related rights on a grand scale. In the interests of efficient legal action against such infringements, rightholders have been demanding that access providers implement blocking measures against such sites. The EU law basis for such action is – as confirmed in CJEU *UPC Telekabel* – Art. 8(3) of the InfoSoc Directive (2001/29). This provision is – together with Art. 11, third sentence, Enforcement-Directive (2004/48) – unique in EU law: It establishes helping duties for intermediaries and there is no requirement of wrongdoing on their part. However, a number of questions remain in relation to the issue of proportionality: A fair balance must be struck between the relevant fundamental rights of access providers, internet users and rightholders. Moreover, the question arises as to whether claims for website blocking are subsidiary to other claims, e.g. legal action against operators and their providers. Finally, blocking measures are also limited by fundamental rights and the prohibition of general monitoring obligations (Art. 15 E-Commerce-Directive (2000/31)). At Member State level, blocking claims have a considerable practical significance and, recently, there have been increased moves toward voluntary self-regulation arrangements. The CJEU will, however, still have a number of open questions to answer regarding website blocking claims under Art. 8(3) of the InfoSoc Directive.

Contents

Abstract 357
Introduction 358
Structurally copyright infringing websites 358
Website Blocking: Definition and methods of implementation 359
The EU legal framework 361
Art. 8(3) of the Copyright Directive 2001/29 361
Purpose 361
Access providers as intermediaries 362
Infringement of copyright or related rights 363
Fundamental rights and proportionality 366
Practical relevance in the Member States and outlook 374
References 375
Case law 376
European Union 376
Domestic case law 376

* The author would like to thank Jonas Tylewski, Berlin, for his support in producing and proofreading this manuscript. The English version was made with the help of Adam Ailsby, Belfast, as co-author

Introduction

Structurally copyright infringing websites

The internet is, of course, both a blessing and a curse. One of the negative aspects of the internet is that it acts as an accelerant for intellectual property (IP) rights infringements, in particular, copyright infringements. Whilst illegal copies of copyright-protected works and performances (also known as "pirate copies") were, until the start of this century, dependent on physical data storage media and the extent of the issue was therefore limited, in the digital age operators of illegal file-sharing and streaming services provide limitless options for making pirate copies of films, music tracks, computer games, audio books or e-books available, at a low cost, to a virtually unlimited public. Generally, such services enable internet users to access illegal copies free of charge. Moreover, whilst the number of legal service providers in the relevant industries (in particular, film, music, computer games, publishing) has grown considerably in recent years (e.g. Netflix, Spotify, Apple, Amazon) and the legal services are available to users at reasonable prices, popular illegal online services are even today visited by users in their millions. One well-known example is the service *ThePirateBay*. *ThePirateBay* is a BitTorrent website which provides indexing in the BitTorrent network (internet file sharing network) to enable BitTorrent users to find and download all types of content (e.g. films, music, games). The vast majority of the BitTorrent files offered on *ThePirateBay* point to works which are protected by copyright and which are being made available to the public illegally.[1] The business model of such websites is often not clear. Many of the websites are likely very profitable, however, since they save themselves all license fees and generally also pay no taxes.[2] Moreover, the European Commission has confirmed, in its "Counterfeit and Piracy Watch List", that such websites have connections to organized crime.[3] For websites whose business model is geared toward and therefore systematically precipitate a huge number of copyright infringements, the term "structurally infringing site" has become established. The European Commission watch list names many structurally infringing sites, categorized by industry.[4]

What can the infringed rightholders do against structurally infringing sites? One obvious option is, of course, to take action against the operators of the websites, as intentional infringers, in order to interrupt the flow of rights infringements at the source. However, that is generally extremely difficult. Deliberate infringers are operating an illegal business model, hence they seek to protect themselves against prosecution with every means possible. One of the operators of *serienstreams.to*, a structurally infringing streaming portal for TV series, primarily targeting Germany, Austria and Switzerland, said the following in an interview for the online magazine, *Tarnkappe*: "We are not afraid of the GVU [former German content protection organization] or other investigators. We personally have not lived in D-A-CH for years (meaning not in Germany, Austria or Switzerland) and are (almost) immune to any claims due to our

1 See the facts in CJEU C-610/15 of 14 June 2017, para. 10 et seq. – *Brein v Ziggo*.

2 For example, when the operators of the film portal Movie2k.to were arrested, the authorities seized Bitcoins to the value of over EUR 25 million. Movie2k.to is said to have made over 880,000 pirate copies of films available to the public; see https://www.sueddeutsche.de/panorama/kriminalitaet-dresden-programmierer-gibt-25-millionen-euro-in-bitcoin-zurueck-dpa.urn-newsml-dpa-com-20090101-200804-99-39844; accessed: 15 August 2020.

3 European Commission. Counterfeit and Piracy Watch List, of 14 December 2020 SWD(2020) 360 final, p. 4, available at: https://trade.ec.europa.eu/doclib/docs/2020/december/tradoc_159183.pdf, accessed: 29 January 2021.

4 See European Commission. Counterfeit and Piracy Watch List, of 14 December 2020 SWD(2020) 360 final, p. 10 et seq., for example, p. 21 et seq. (Linking or referring websites) and p. 24 et seq. (Peer-to-peer and BitTorrent indexing websites).

location. Even so, we have a great deal of protection through our use of VPNs, Tor browsers, encryption and other measures. We will never have absolute certainty, but we are very well prepared".[5] Four operators of *ThePirateBay* were given prison sentences in Sweden for aiding and abetting copyright infringements, yet to this day *ThePirateBay* remains on the internet.[6] There is also usually no prospect of success in taking action against technical service providers of such illegal business models, in particular, their hosting providers and file hosting services. These are often impossible to identify due to the use of concealment measures (e.g. services like Cloudflare) or they are located in countries in which it is at least difficult, if not impossible, to enforce intellectual property rights (on the cross-border enforcement of copyrights, see the discussion in Chapters 20 and 21). If the assertion of rights is actually successful, the illegal website can simply change to another technical provider (so-called hosting nomadism).[7]

Affected rightholders therefore also take steps against internet service providers, who – to use an analogy from the physical world – transport the rights infringements to the user and usually import them from non-European countries. These are the internet access providers (also known as access providers): Rightholders demand that access providers block access to the structurally infringing sites, through a process also known as website blocking.

Website Blocking: Definition and methods of implementation

The term website blocking is slightly misleading. This seems true both for the objective of the technical measure implemented by an access provider as well as for its effect. The aim is to completely bring to an end one or many specific rights infringements by means of blocking measures taken by the access provider. These blocking measures do not necessarily have to affect an entire website, however. Moreover, the success of such measures generally does not lead to a complete elimination of the rights infringement. First, each access provider can only implement measures which affect their own customers. Second, there is, to date, no technically reliable way of installing circumvention-proof blocks.[8] Therefore, the primary objective of website blocks is to make it more difficult for the respective access provider's customers from gaining access to particular rights infringing content.[9]

5 Translation from German original: "Wir haben keine Angst vor der GVU oder anderen Ermittlern. Wir selbst leben seit einigen Jahren nicht (mehr) in D-A-CH (also weder in Deutschland, Österreich oder der Schweiz) und sind hierbei eigentlich aufgrund unseres Standortes gegen jegliche Forderungen (fast) immun. Dennoch sind wir mit VPNs, Tor-Browser, Verschlüsselung und weiteren Maßnahmen recht gut abgesichert. Eine absolute Sicherheit wird es nie geben, aber wir sind bestens vorbereitet.", available here: https://ngb.to/threads/31139-Serienstream-to-im-Interview; accessed: 15 August 2020.

6 On the history of *ThePirateBay*, see: https://de.wikipedia.org/wiki/The_Pirate_Bay; accessed: 15 August 2020.

7 By way of example, we refer to a decision of LG München I [District Court of Munich I], which included the following remarks: "Irrespective of whether it is correct that other rightholders in the Netherlands have obtained a court decision against a hosting provider, a simple look at the table containing the previous hosting providers of the website … in the Plaintiffs' investigation report shows that a switch of hosting provider is possible and has already happened multiple times."; LG München I, final judgment of 7 June 2019 – 37 O 2516/18, para. 45, available at: https://www.gesetze-bayern.de/Content/Document/Y-300-Z-BECKRS-B-2019-N-11911?hl=true&AspxAutoDetectCookieSupport=1; accessed: 15 August 2020.

8 See CJEU C-314/12 of 27 March 2014, para. 60 – *UPC Telekabel*; same conclusion in Bundesgerichtshof [BGH, German Federal Supreme Court] of 26 November 2015, I ZR 174/14 para. 46 – *Störerhaftung des Access-Providers* [Duty of Care of an Access-Provider], regarding DNS blocking and IP blocking, available at: http://juris.bundesgerichtshof.de/cgi-bin/rechtsprechung/document.py?Gericht=bgh&Art=en&nr=73491; accessed: 15 August 2020.

9 See CJEU C-314/12 of 27 March 2014, para. 62 – *UPC Telekabel*.

The most frequently used technical method is a "DNS block" (see specifically the discussion in Chapter 19). Internet users enter a particular domain name used by a website into their browser. They contact a domain name server (DNS server) which converts the domain name into an IP address and thus provides access to the desired website. Every access provider operates their own DNS server for their customers; however, DNS servers can also be selected independently from the access provider. DNS servers work much like a physical telephone book: each domain name is associated with an IP address. If a domain name is not listed on a DNS server, the user cannot visit the website by entering the domain name.[10] DNS blocks can be circumvented, for example, by users typing the numerical IP address (instead of the domain name) into their browser, although that only works if the IP address used by the website is not shared with other sites. Moreover, users can circumvent blocks by changing the default DNS server to one for which no DNS block has been set.

In contrast, an IP block is applied to the IP address (internet protocol address) of a website, through which the website can be found on the internet. The forwarding of data to the destination address which is the target of the block is prevented through a modification of the routing tables managed by the access provider. The IP (address) block thus leads to all websites operating under the IP address becoming inaccessible. IP blocks can also be circumvented, however that is somewhat more complicated from a technical perspective. For example, a VPN can be used.[11]

DNS blocks and IP blocks, in particular, can lead to "overblocking", in that they block entire websites. However, rightholders who hold rights in certain works and performances only have claims relating to the specific rights infringements concerned but not to other – legal or illegal – content on the website. In the case of IP blocks, the overblocking can potentially be even more severe where several websites are accessible via one IP address. An IP block will also block those other websites. Overblocking is relevant in the scope of the balancing of fundamental rights.

While DNS blocks and IP blocks lead to the blocking of entire websites, blocking measures also exist that block specific rights infringing content on a website in a targeted manner. One example is URL blocks which have the effect of blocking access to individual website pages, identifiable through the URL (Uniform Resource Locator). In this type of block, the entire data traffic is routed via a special server ("forced proxy") which is able to analyze the URL information embedded in the data packets of user requests through a process of deep packet inspection.[12] The scope of the analysis can be limited by only routing data traffic for the IP address(es) used by the relevant website via the proxy.[13]

Broadly speaking, the costs of DNS blocks and IP blocks are relatively low, while higher costs can be incurred for URL blocks due to the relevant hardware and software needed.[14]

10 High Court of Justice, London (Chancery Division) of 17 October 2014 – [2014] EWHC 3354 (Ch), para. 25i – *Cartier v British Sky*; BGH of 26 November 2015, I ZR 174/14 para. 62 – *Störerhaftung des Access-Providers*.

11 High Court of Justice, London (Chancery Division) of 17 October 2014 – [2014] EWHC 3354 (Ch), para. 25ii – *Cartier v British Sky*; BGH of 26 November 2015, I ZR 174/14 para. 63 – *Störerhaftung des Access-Providers*.

12 High Court of Justice, London (Chancery Division) of 17 October 2014 – [2014] EWHC 3354 (Ch), para. 25iii – Cartier v British Sky; BGH of 26 November 2015, I ZR 174/14 para. 64 – *Störerhaftung des Access-Providers*.

13 "Two-stage systems": High Court of Justice, London (Chancery Division) 17 October 2014 – [2014] EWHC 3354 (Ch), para. 25iv – *Cartier v British Sky*.

14 Cory. How Website Blocking Is Curbing Digital Piracy Without "Breaking the Internet", August 2016, p. 11, available at: https://www.igac.gov.pt/documents/20178/557437/Estudo_2017/3adcf3b7-e9ca-497a-bebd-5fc72cec72e7; accessed: 15 August 2020, referring to a report by British Ofcom, "'Site Blocking' to Reduce Online Copyright Infringement: A Review of Sections 17 and 18 of the Digital Economy Act" (London: Ofcom, 27 May 2010), available at: https://www.igac.gov.pt/documents/20178/557437/Estudo_2017/3adcf3b7-e9ca-497a-bebd-5fc72cec72e7;

In practice, DNS blocks are the most important type of block, by some margin. Empirical studies have shown that websites affected by a DNS block suffer significant reductions in traffic.[15] In addition, it should be noted that DNS blocks (as well as other blocking measures) bar the selected access route and therefore reinforce the user's sense that their actions are wrong; the user has to make an active decision to use circumvention measures.[16]

The EU legal framework

Art. 8(3) of the Copyright Directive 2001/29

Purpose

The basis for website blocks under European Union law is laid down in Article 8(3) of the InfoSoc Directive.[17] According to that provision, claims for injunctive relief can be asserted against intermediaries "whose services are used by a third party to infringe a copyright or related right".[18] According to Recital 9, the Directive is intended to guarantee a high level of protection for owners of IP rights, in particular, copyrights and related rights.[19] However, Article 8(3) of the InfoSoc Directive pursues a special approach with regard to the responsibility of intermediaries. As made clear in Recital 59, the basis of the responsibility is that such intermediaries "are best placed to bring such infringing activities to an end".[20] Misconduct or accessory liability on the part of the intermediary is not required. Rather, the general view is that Article 8(3) of the InfoSoc Directive does not have any liability requirement.[21]

---

accessed: 15 August 2020. See also, for DNS-blocks: LG München I of 1 February 2018, 7 O 17752/17, para. 69 – *kinox.to*, available at: https://www.gesetze-bayern.de/Content/Document/Y-300-Z-BECKRS-B-2018-N-2857?AspxAutoDetectCookieSupport=1&contrast=change; accessed: 15 August 2020.

15 High Court of Justice, London (Chancery Division) of 17 October 2014 – [2014] EWHC 3354 (Ch), para. 218 et seq. – *Cartier v British Sky*; Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More (2017) *JIPLP*, 338, 343 with footnote 73; *Cory*, How Website Blocking Is Curbing Digital Piracy Without "Breaking the Internet", August 2016, p. 13 et seq., available at: link above; Example: 70% reduction in traffic based on several hundred blocked sites in Portugal: https://www.incoproip.com/wp-content/uploads/2020/02/Site-Blocking-and-Piracy-Landscape-in-Portugal-May-2017.pdf; accessed: 15 August 2020.

16 BGH of 26 November 2015, I ZR 174/14 para. 48 – *Störerhaftung des Access-Providers*.

17 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society ("InfoSoc Directive").

18 See, on this point, Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More (2017) *JIPLP*, 338, 338.

19 Recital 9 of the InfoSoc Directive.

20 Recital 59 of the InfoSoc Directive.

21 European Commission, Analysis of the application of Directive 2004/48/EC, of the European Parliament and the Council of 29 April 2004 on the enforcement of intellectual property rights in the Member States, SEC(2010) 1589 final, at 16–17 (22 December 2010); British High Court, [2011] EWHC 2714 (Ch) para. 30 – *Twentieth Century Fox et al. v British Telecommunications*; for the same opinion, see Shapiro, T. Directive 2001/29/EC on Copyright in the Information Society, in: *Copyright in the Information Society: A Guide to National Implementation of the European Directive* (Brigitte Lindner & Ted Shapiro eds., 2011), at 54; Angelopoulos, European Intermediary Liability in Copyright: A Tort based Analysis, 2017, p. 96; Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 64; Nordemann, J.B. Internet Copyright Infringement: Remedies Against Intermediaries – The European Perspective on Host and Access Providers (2012) 59(4) *Journal of the Copyright Society of the USA*, 773, at 775–776; Czychowski/Nordemann, Grenzenloses Internet – entgrenzte Haftung? (Unlimited internet – unlimited liability?), GRUR 2013, 986 at 988; Hofmann, F. markenrechtliche Sperranordnungen gegen nicht verantwortliche Intermediäre (trade mark blocking orders against intermediaries who have no responsibility), *GRUR* 2015, 123 at 128.

The CJEU also follows this view. In *Tommy Hilfiger*, the CJEU summarized its case law as follows:

> It is settled case-law that … Article 8(3) of Directive 2001/29 … obliges Member States to ensure that an intermediary whose services are used by a third party in order to infringe an intellectual property right may, regardless of any liability of its own in relation to the facts at issue, be ordered to take measures aimed at bringing those infringements to an end and measures seeking to prevent further infringements (see, to that effect, in particular, judgments of 12 July 2011 in L'Oréal, C-324/09, paragraphs 127 to 134, and of 24 November 2011 in Scarlet Extended, C-70/10, paragraphs 30 and 31).[22] (emphasis added)

In other words: even though intermediaries are not accused of any misconduct and they are therefore not liable in the classic understanding of liability, they still have legal action taken against them by way of an injunction seeking the blocking of internet services. *Husovec* fittingly terms this "accountability without liability".[23] Intermediaries' obligations under Art. 8(3) of the InfoSoc Directive are duties to assist (helping duties) or obligatory cooperation remedies.[24]

As the legal basis is a directive, the specific implementation in national law is a matter for Member States. The substantive requirements are, however, fully harmonized under Article 8(3) of the InfoSoc Directive. Only the "conditions and modalities" of the blocks are, according to Recital 59, fourth sentence, left in the hands of the Member States. The fully harmonized substantive requirements for a website block as per Art. 8(3) of the InfoSoc Directive, are, therefore, as follows: (1) The service provider against whom action is taken must meet the definition of "intermediary" within the meaning of Article 8(3) of the InfoSoc Directive. (2) Its services must be used by third parties (3) to commit infringements of copyright or related rights.[25] Finally, (4) the limits prescribed by the fundamental rights and secondary EU law must be observed. The CJEU set forth its position with regard to website blocks in detail in its landmark *UPC Telekabel*[26] decision.

For IP rights which are not copyright or related rights, a parallel claim to that in Article 8(3) InfoSoc Directive exists in Article 11, third sentence of the Enforcement Directive.[27]

Access providers as intermediaries

The focus of website blocking claims is on so-called user-side access providers, i.e. service providers who provide users with access to the websites with rights infringing content. It is not about access providers who enable the website with rights infringing content to access the internet. Such access providers have not been taken into account here, since their obligations are likely be different (meaning stricter) due to the direct or indirect contractual

22 CJEU C-494/15 of 7 July 2016, para. 22 – *Tommy Hilfiger.*

23 Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 10.

24 Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 64; Nordemann, J.B. Internet Copyright Infringement: Remedies Against Intermediaries – The European Perspective on Host and Access Providers (2012) 59(4) *Journal of the Copyright Society of the USA*, 773, at 776; *Czychowski/Nordemann*, Grenzenloses Internet – entgrenzte Haftung? (2013) *GRUR*, 2013, 986 at 988. *Nordemann* in: *Fromm/Nordemann*, Urheberrecht Kommentar (Commentary on German Copyright Act), 12th edition 2018, § 97 German Copyright Act para. 159b.

25 Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* p. 87.

26 CJEU C-314/12 of 27 March 2014 – *UPC Telekabel.*

27 See Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More? (2017) *JIPLP*, 338.

relationship with the website. Moreover, as service providers of the infringer they cannot be efficiently brought to account (see above). Therefore, as far as website blocking is concerned, only the user-side access provider that serves the downloader or streaming recipient will be considered in the following.

The CJEU decisions in *LSG v Tele2*[28] and *UPC Telekabel*[29] also concerned action taken against user-side access providers, although only *UPC Telekabel* related to a claim for website blocking. In both legal disputes, the respective access provider had argued that they could not be considered an intermediary under Article 8(3) of the InfoSoc Directive.[30]

In both decisions, however, the CJEU made it clear that access providers fall under the definition of internet service providers within the meaning of Article 8(3) of the InfoSoc Directive; this term should be interpreted broadly.[31] Service providers, who merely enable customers to access the internet, provide a service, according to the Court, which can be used by third parties for rights infringements. The CJEU stated that it is the access provider that supplies the user with the connection that enables the user to infringe such rights in the first place.[32] Therefore, the access provider is "an inevitable actor in any transmission of an infringement between one of its customers and a third party".[33] There does not need to be, according to the Court, any contractual link between the third party committing the rights infringements and the access provider.[34]

In addition, the CJEU justifies the liability of access providers as intermediaries with the objective of the InfoSoc Directive. Art. 1(1) of the InfoSoc Directive and Recital 9 state the purpose of providing effective legal protection and a high level of protection for the rightholder.[35] If one were to exclude user-side access providers from the definition of intermediary, this would lead to a significantly lower level of protection for rightholders.[36]

Infringement of copyright or related rights

A further prerequisite for a claim against an access provider for the blocking of a website is that a third party uses the access provider's services to commit an infringement of copyright or related rights. The is no requirement of an own rights infringement on the part of the access provider itself – or even just an own accessory liability – (see above).

28 CJEU C-557/07 of 19 February 2009 – *LSG v Tele2*.

29 CJEU C-314/12 of 27 March 2014 – *UPC Telekabel*.

30 CJEU C-314/12 of 27 March 2014, para. 29 – *UPC Telekabel*; CJEU C-557/07 of 19 February 2009, para. 38 – *LSG v Tele2*.

31 Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) Is More? (2017) *JIPLP*, 338 at 342.

32 CJEU C-557/07 of 19 February 2009, para. 43 – *LSG v Tele2*.

33 CJEU C-314/12 of 27 March 2014, para. 32 – *UPC Telekabel*; see also CJEU C-557/07 of 19 February 2009, para. 44 – *LSG v Tele2*.

34 CJEU C-314/12 of 27 March 2014, para. 35 – *UPC Telekabel*. See, on this point, also the remarks of the CJEU C-494/15 of 7 July 2016, para. 23 - *Tommy Hilfiger*: "For an economic operator to fall within the classification of 'intermediary' within the meaning of those provisions, it must be established that it provides a service capable of being used by one or more other persons in order to infringe one or more intellectual property rights, but it is not necessary that it maintain a specific relationship with that or those persons (see, to that effect, CJEU C-314/12 of 27 March 2014, para. 32, 25 – UPC Telekabel Wien)."

35 CJEU C-557/07 of 19 February 2009, para. 45 – *LSG v Tele2*; CJEU C-314/12 of 27 March 2014, para. 31 – *UPC Telekabel*.

36 CJEU C-557/07 of 19 February 2009, para. 45 – *LSG v Tele2*; CJEU C-314/12 of 27 March 2014, para. 33 – *UPC Telekabel*.

Protected rights as per Article 8(3) of the InfoSoc Directive are copyrights, but also "related rights" as expressly stated in the provision itself. As such, therefore, all related rights which are the subject of full harmonization within the meaning of the InfoSoc Directive are certainly covered. Article 8(3) of the InfoSoc Directive thus covers all infringements related to the right of communication to the public under Article 3 of the InfoSoc Directive (on which, see the discussion in Chapter 9) and also infringements of the right of reproduction as per Article 2 of the InfoSoc Directive (on which, see the discussion in Chapter 7).

To date, the practice of website blocking under Article 8(3) of the InfoSoc Directive has primarily concerned infringements of the right of communication to the public under Article 3 of the InfoSoc Directive. The subject matter of the CJEU decision in *UPC Telekabel* was the infringement of the right of communication to the public in two films by the film producers taking action, *Constantin Film* and *Wega*, against the structurally infringing website, *kino.to*. In addition to those films, *Kino.to* was also making all other protected content exclusively or predominantly available to the public without the consent of the rightholders concerned.[37] As can be seen from the grounds for the decision, the action specifically concerned an (undisputed) infringement of related rights as per Article 3(2) of the InfoSoc Directive, by *kino.to* as perpetrator.[38] In *BREIN v Ziggo*, the facts were somewhat different. That case concerned a website block of *ThePirateBay* by the Dutch access providers *Ziggo* and *XS4ALL Internet*, against which the Dutch rightholder organization *Stichting Brein* had taken action, on the basis of the Dutch implementation of Article 8(3) of the InfoSoc Directive. The referring Hooge Raad [Supreme Court of the Netherlands] was not certain whether *ThePirateBay* itself had infringed the right of communication to the public under Article 3 of the InfoSoc Directive, or whether *ThePirateBay* was only an accessory in respect of the infringements of Article 3 of the InfoSoc Directive by its users. The CJEU held a platform to connect users under the BitTorrent protocol to be infringing the right of communication to the public itself when the platform was used for activities by their users, despite the fact that the actual copyrighted works were not stored on the servers of *ThePirateBay*.[39] Until then, under national liability concepts, the activity of the relevant platform (*ThePirateBay*) was only assessed under accessory liability as an aider because *The Pirate Bay* was not seen as an infringer[40] (on the interplay between primary and secondary liability in CJEU case law, see the discussion in Chapter 10). This decision has been understood as the starting point for a European concept for liability of websites for illegal communication to the public, which had previously been deemed rooted merely in national law:[41]

37 CJEU C-314/12 of 27 March 2014, para. 11 et seq. – *UPC Telekabel*.

38 CJEU C-314/12 of 27 March 2014, para. 24 – *UPC Telekabel*.

39 CJEU C-610/15 of 14 June 2017, para. 38 – *Brein v Ziggo*; see also Nordemann, J.B. Liability of Online Service Providers for Copyrighted Content – Regulatory Action Needed? In-Depth analysis for the European Parliament's IMCO Committee, 2017, page 22 to 23, available at: https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_IDA%282017%29614207.

40 See 1st instance decision: Stockholm Tingsrätt, DOM 2009-04-17, Mål nr B 13301-06; see also Rosati, E. The CJEU "The Pirate Bay" Judgment and its Impact on the Liability of Online Platforms (2017), p. 11; Nordemann, J.B. Recent CJEU Case Law on Communication to the Public and its Application in Germany: A New EU Concept of Liability (2018) *JIPLP*, 744 at 747.

41 See in more detail: Ohly, A. The Broad Concept of "Communication to the Public" in Recent CJEU Judgments and the Liability of Intermediaries: Primary, Secondary or Unitary Liability (2018) *JIPLP*, 664–675; Nordemann, J.B. Recent CJEU Case Law on Communication to the Public and its Application in Germany: A New EU Concept of Liability (2018) *JIPLP*, 744–756; Nordemann, J.B. The Functioning of the Internal Market for Digital Services: Responsibilities and Duties of Care of Providers of Digital Services, Study for the European Parliament IMCO Committee, 2020, pp. 27–28, available here: https://www.europarl.europa.eu/

- First, the "communication" has to involve a sufficient intervention by the service provider. The service provider has to be in a sufficiently "indispensable role"[42] or "essential role".[43] According to the CJEU, providing search functionalities and the indexing of works was a sufficient intervention to fulfil the requirements of a communication.
- Second, regarding communication "to the public", the key factor is a duty of care, as referred to by the CJEU with "knew or ought to have known".[44] This may be read to result in a system of flexible duties of care as already known from injunction claims pursuant to Article 8(3) of the InfoSoc Directive.[45] In any case, *ThePirateBay* knowingly provided access to the copyright works through its website, so it was beyond doubt that *ThePirateBay* also communicated to the public.[46]

In summary, structurally infringing sites like *ThePirateBay* infringe the right of communication to the public directly.

Consequently, the CJEU did not have to answer the second question posed by the Dutch Hooge Raad: "Do Article 8(3) of Directive 2001/29 and Article 11 of Directive 2004/48 offer any scope for obtaining an injunction against an intermediary as referred to in those provisions, if that intermediary facilitates the infringing acts of third parties in the way referred to in Question 1?"[47] There are, however, convincing reasons to answer this question in the affirmative also. According to Article 8(3) of the InfoSoc Directive, claims for injunctive relief can be asserted against intermediaries "whose services are used by a third party to infringe a copyright or related right". According to Recital 9, the Directive, which came into force in 2001, is intended to guarantee a high level of protection for owners of intellectual property rights, in particular, copyrights and related rights.[48] Platforms that merely facilitate third-party infringements (e.g. as aiders and abettors) should therefore also fall within the scope of Article 8(3) of the InfoSoc Directive.[49]

To date, the question of whether Article 8(3) of the InfoSoc Directive can also be used against infringements of the right of reproduction as per Article 2 of the InfoSoc Directive has not been widely discussed. That question must be answered in the affirmative.[50] Article 8(3) of the InfoSoc Directive – as stated above – is intended to guarantee a high level of protection to the owners of copyrights and related rights.[51] It is also nothing else to suggest that the scope of application of Article 8(3) is limited to the right of communication to the public. On the contrary, it would seem to make sense to include the right of reproduction angle, as

---

thinktank/en/document.html?reference=IPOL_STU%282020%29648802; accessed: 15 August 2020; Nordemann, J.B. Liability of Online Service Providers for Copyrighted Content – Regulatory Action Needed?, In Depth Analysis for the European Parliament's IMCO Committee, 2018, page 24, available: link see above.

42 CJEU C-610/15 of 14 June 2017, para. 26 – *Brein v Ziggo*.

43 CJEU C-610/15 of 14 June 2017, para. 37 – *Brein v Ziggo*.

44 CJEU C-160/15 of 8 September 2016, para. 49 – *GS Media v Sanoma*.

45 Nordemann, J.B. Liability of Online Service Providers for Copyrighted Content – Regulatory Action Needed? In-Depth analysis for the European Parliament's IMCO Committee, 2018, p. 16, available: link see above.

46 CJEU C-610/15 of 14 June 2017, para. 45 – *Brein v Ziggo*.

47 CJEU C-610/15 of 14 June 2017, paras. 17, 49 – *Brein v Ziggo*.

48 Recital 9 of the InfoSoc Directive.

49 Same opinion: Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 91.

50 Nordemann, J.B. Die Haftung allgemeiner Zugangsprovider auf Website-Sperren – Der aktuelle Stand nach BGH "Dead Island" [The Liability of General Access Providers for Website Blocks – The Current Situation according to the BGH in "Dead Island"] *GRUR* 2018, 1016 at 1019; Nordemann, J.B. in *Fromm/Nordemann*, op.cit., § 97 para. 171a.

51 Recital 9 of the InfoSoc Directive.

per Article 2 of the InfoSoc Directive, since users of illegal download and streaming services commit an infringement of the right of reproduction. In particular, streaming recipients make a (temporary) reproduction. Moreover, the copyright exemption in Article 5(1) of the InfoSoc Directive is not available to them as a statutory authorization.[52] In addition, a lawful private copy as per Article 5(2) of the InfoSoc Directive is out of the question due to the illegal nature of the source.[53] The access provider's users (customers) are therefore themselves infringers and as such the access provider's services supplied to their users are even directly causal for the infringement of the right of reproduction.

Another question, however, is whether a strict causality of the access provider's services as intermediary can even be made a requirement for a claim against an access provider on the basis of Article 8(3) of the InfoSoc Directive. This question arises in the scope of the infringement of the right of communication to the public by websites as per Article 3 of the InfoSoc Directive. The right of communication to the public by way of an act of making available to the public is already infringed by the mere offering of the work to members of the public to download or stream the work from wherever and whenever they individually choose. An actual download or stream is not required.[54] According to the CJEU the access provider's obligation to render assistance as per Article 8(3) of the InfoSoc Directive does not require the access provider's services to be causal for the rights infringement. As set out above, for the CJEU it suffices that the access provider merely enables its customers to access the internet. According to the CJEU, the access provider helps the user establish the connection that enabled such rights infringements in the first place,[55] hence the access provider is "an inevitable actor in any transmission of an infringement over the internet between one of its customers and a third party".[56] In reaching this conclusion, the CJEU also looks at the objective of the InfoSoc Directive. Article 1(1) of the InfoSoc Directive and Recital 9 guarantee effective legal protection and a high level of protection for the rightholder.[57] The CJEU states that user-side access providers have to fall under Article 8(3) of the InfoSoc Directive, otherwise the level of protection would be significantly reduced.[58] The CJEU's position, that no strict causality may be required *conditio sine qua non* with regard to the access provider's services, appears convincing. The effect of a possible act of assistance is a constituent element of liability rather than any considerations of causality.[59]

Fundamental rights and proportionality

The enforcement of website blocks has its limits both in primary and secondary EU law. The Charter of Fundamental Rights of the European Union ("the Charter") has, according to Article 6(1) of the TEU, binding effect and rank of a primary law source. The general

52 CJEU C-527/15 of 26 April 2017, para 59 – *Brein v Wullems (Filmspeler)*.

53 CJEU C-572/13 of 12 November 2015, para. 59 – *Hewlett Packard v Reprobel*; CJEU C-435/12 of 10 April 2014, para. 37 – *ACI Adam*.

54 CJEU C-610/15 of 14 June 2017, para. 31 – *Brein v Ziggo*.

55 CJEU C-557/07 of 19 February 2009, para. 43 – *LSG v Tele2*.

56 CJEU C-314/12 of 27 March 2014, para. 32 – *UPC Telekabel*; see also CJEU C-557/07 of 19 February 2009, para. 44 – *LSG v Tele2*.

57 CJEU C-557/07 of 19 February 2009, para. 45 – *LSG v Tele2*; CJEU C-314/12 of 27 March 2014, para. 31 – *UPC Telekabel*.

58 CJEU C-557/07 of 19 February 2009, para. 45 – *LSG v Tele2*; CJEU C-314/12 of 27 March 2014, para. 33 – *UPC Telekabel*.

59 Similar: Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 91 et seq.

principles of EU law, in particular, the principle of proportionality, must also be respected. At a secondary law level, Article 3 of the Enforcement Directive,[60] Article 8 of the InfoSoc Directive and Articles 12–15 of the E-Commerce Directive,[61] in particular, must be taken into account[62] and looked at in the scope of the proportionality of the specific measure.

FUNDAMENTAL RIGHTS

Website blocks on the basis of Article 8(3) of the InfoSoc Directive lead to conflicts with fundamental rights protected under EU law (on the interplay between copyright protection and other fundamental rights and freedoms, see the discussion in Chapter 2; with specific regard to exceptions and limitations, see the analysis in Chapter 14). Rightholders can rely on the protection of copyright and related rights which are protected as a part of IP by Article 17(2) of the Charter. This conflicts with the right of freedom to conduct a business as per Article 16 of the Charter of the internet access provider who is being held liable as well as the internet user's right to freedom of information, protected in Article 11 of the Charter. In *UPC Telekabel*, the CJEU expressly examined, in detail, the conflict between the applicable fundamental rights under EU law in the case of website blocks.

The freedom to conduct a business protects the right of the access provider to freely dispose over its resources within the limits of its responsibility for its own actions.[63] The implementation of website blocks forces the access provider to take measures that may lead to considerable costs, have a significant effect on how it conducts its activities or require difficult and complex technical solutions.[64] Therefore, there is interference in the scope of protection of the fundamental right in Article 16 of the Charter.[65] A blocking order which leaves the access provider to choose the specific measures does not affect the substance of the right of freedom to conduct a business, because the access provider can select the measure which best fits its resources and options, and which is compatible with how it otherwise conducts its activities.[66] In addition, such a blocking order is proportionate because it releases the access provider, who can prove it has taken reasonable measures that can be expected of it, from liability. Since the access provider did not commit the rights infringement but is merely subject to legal action for the purposes of effective legal enforcement, it must not be required to make every unsustainable sacrifice.[67] A release from liability must therefore also be considered if the access provider has not taken a possibly enforceable measure which cannot be defined as reasonable.[68]

In order to guarantee a high level of protection for holders of copyrights and related rights and, in particular, to produce an effective protection of the fundamental rights laid down in Article 17(2) of the Charter, the measures taken by the access provider must be sufficiently effective.[69] In this context, it must be taken into account that no technical means exist that cannot

60 Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights ("Enforcement Directive").

61 Directive 2001/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market ("Directive on electronic commerce" or "E-Commerce Directive").

62 Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 112.

63 CJEU C-314/12 of 27 March 2014, para. 49 – *UPC Telekabel*.

64 CJEU C-314/12 of 27 March 2014, para. 50 – *UPC Telekabel*.

65 CJEU C-314/12 of 27 March 2014, para. 48 – *UPC Telekabel*.

66 CJEU C-314/12 of 27 March 2014, para. 51 – *UPC Telekabel*.

67 CJEU C-314/12 of 27 March 2014, para. 53 – *UPC Telekabel*.

68 CJEU C-314/12 of 27 March 2014, para. 59 – *UPC Telekabel*.

69 CJEU C-314/12 of 27 March 2014, para. 62 – *UPC Telekabel*.

be circumvented. The CJEU has already established, in *UPC Telekabel*, that it "is possible that a means of putting a complete end to the infringements of the intellectual property right does not exist or is not in practice achievable", because all measures can be circumvented.[70] As mentioned above, the measures usually spoken about in relation to website blocks, such as DNS blocks, IP blocks or URL blocks, are generally circumventable through technical means. A complete protection of IP rights can therefore not be guaranteed. This is consistent with Article 17(2) of the Charter since that fundamental right is not without limitation and therefore does not necessarily have to be unconditionally guaranteed.[71] The measures taken by the access provider must prevent unlawful access to the protected subject matter or at least make access more difficult and reliably deter its customers (internet users) from accessing the protected subject matter which has been unlawfully made available.[72]

When implementing blocking measures, the access provider must also take into account internet users' right to freedom of information. Overblocking, meaning the blocking, in the scope of the blocking measure, of other content that has been made available to the public legally, can lead to a disproportionality of the blocking measure. Therefore, the measures implemented by the access provider must be strictly targeted, in the sense that they are sufficiently effective in bringing the rights infringement to an end (see above) but do not impair the internet user in their freedom to access information lawfully.[73] DNS blocks and IP blocks, in particular, can lead to overblocking. See on this point in detail below.[74]

National courts must be able to verify that the internet user's freedom of information has been safeguarded. This is only possible during enforcement proceedings, if a challenge is brought.[75] In the absence of internet users being involved in outside-court or court proceedings, such a challenge regularly fails due to lack of knowledge. The CJEU therefore requires that Member States provide a possibility in their national procedural rules for internet users to assert their rights before the court once the access providers' blocking measures become known.[76]

In cases involving several conflicting fundamental rights, according to the case law of the CJEU, Member States have to ensure that they base their implementation of the Directive on an interpretation which enables a fair balance to be struck between the applicable fundamental rights as protected by the EU legal order.[77] When carrying out measures to implement the Directive, the authorities and the courts of the Member States must interpret their national law in line with the Directive. In addition, they must interpret the Directive itself while taking into account fundamental rights recognized under EU law, as well as the general principles of EU law. This also includes the principle of proportionality.[78]

To summarize, for Article 8(3) of the InfoSoc Directive, this means that its requirements for application are not limited to the fact that the services of an intermediary (here: access provider) must have been used to infringe a copyright or related right. In addition, when applying that provision, a careful balancing of the fundamental rights affected must also be

70 See CJEU C-314/12 of 27 March 2014, para. 60 – *UPC Telekabel*.

71 CJEU C-314/12 of 27 March 2014, para. 61 – *UPC Telekabel;* CJEU C-70/10 of 24 November 2011, para. 43 – *Scarlet Extended*.

72 CJEU C-314/12 of 27 March 2014, para. 62 – *UPC Telekabel*.

73 CJEU C-314/12 of 27 March 2014, para. 56 – *UPC Telekabel*.

74 CJEU C-314/12 of 27 March 2014, para. 55 – *UPC Telekabel*.

75 CJEU C-314/12 of 27 March 2014, para. 57 – *UPC Telekabel*.

76 CJEU C-314/12 of 27 March 2014, para. 57 – *UPC Telekabel*.

77 *Rosati*, Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) Is More? (2017) *JIPLP*, 338 at 341.

78 CJEU C-314/12 of 27 March 2014, para. 46 – *UPC Telekabel*; CJEU C-275/06 of 29 January 2008, para. 68 – *Promusicae*.

performed. A fair balance must be found between them. In other words: as far as fundamental rights are concerned, the application of Article 8(3) of the InfoSoc Directive must be proportionate. The specifics of this are examined below through the question of overblocking, the costs of blocking and the principle of subsidiarity.

SECONDARY LAW AND PROPORTIONALITY

According to Article 3(1) of the Enforcement Directive, measures, procedures and remedies provided for by Member States to ensure the enforcement of IP rights must be necessary, fair and equitable and may not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays. Moreover, under Article 3(2) of the Enforcement Directive, they must be effective, proportionate and dissuasive, not prevent legitimate trade and they must provide for safeguards against their abuse. Although similar fundamental principles cannot be found in Article 8(3) of the InfoSoc Directive, national courts draw upon Article 3 of the Enforcement Directive to interpret it.[79] This is also supported by the fact that, with the exception of proportionality and the dissuasive effect, the above criteria are also contained in Article 41 of the TRIPS Agreement adopted in 1994, which, as an international treaty under the umbrella of the World Trade Organization (WTO), also applies at European and national levels.[80]

The individual elements, excluding proportionality and effectiveness are not defined separately by the CJEU and used as individual points of assessment. They usually serve the purpose creating an overall picture and assessment of the specific case.[81] Nevertheless, the CJEU has, in some individual judgments, recognized specific infringements of individual elements. According to *L'Oréal*,[82] general and permanent prohibitions against innocent intermediaries violate the requirement that no barriers to legitimate trade may be created. The CJEU also assessed this aspect in *Tommy Hilfiger*.[83]

The CJEU considered the required effectiveness of blocking measures, which also have to be examined in the scope of proportionality, in *UPC Telekabel*. However, the safe harbors[84] of the E-Commerce Directive, which exempt certain internet services from liability for damages, in particular, Article 12 of the E-Commerce Directive, which governs the aspect of "mere conduit" and also covers access providers, do not protect them against injunctive relief claims.[85] This follows from Article 12(3) of the E-Commerce Directive. According to that provision, access providers' obligations to stop or prevent the rights infringement remain unaffected. The CJEU has on numerous occasions confirmed the applicability of Article 8(3) of the InfoSoc Directive alongside Article 12 of the E-Commerce Directive, for example, in *Scarlet Extended*.[86]

79 See Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 114; CJEU C-314/12, Opinion of AG Villalón of 26 November 2013, para. 75, 79, 94 – *UPC Telekabel*; see CJEU C-70/10 of 24 November 2011, para. 36 – *Scarlet Extended*; CJEU C-360/10 of 16 February 2012, para. 34 – *SABAM*; CJEU C-484/14 of 15 September 2016 – *McFadden*.

80 Of the same opinion, Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 115.

81 See Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 115; CJEU C-314/12, Opinion of AG Villalón of 26 November 2013, para. 106 – *UPC Telekabel*.

82 CJEU C-324/09 of 12 July 2011, para. 140 – *L'Oréal*.

83 CJEU C-494/15 of 7 July 2016, paras. 34, 25 – *Tommy Hilfiger*.

84 Articles 12-14 of the E-Commerce Directive.

85 Husovec, M. *Injunction Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 116.

86 CJEU C-70/10 of 24 November 2011, para. 34 – *Scarlet Extended*; also Husovec, M. CJEU Allowed Website Blocking Injunctions with Some Reservations (2014) *JIPLP*, 631–634.

IN PARTICULAR: OVERBLOCKING

It is a part of the CJEU's assessment of fundamental rights and proportionality that the measures implemented by the access provider must be strictly targeted, in the sense that they are sufficiently effective in bringing the rights infringement to an end but do not impair the internet user in their freedom to access information lawfully.[87] However, DNS blocks and IP blocks can lead to overblocking, meaning to a block of more content than required to bring an end to the specific rights infringement (see above). In the case law of the CJEU there are no answers to the question as to the specific measures to assess the permissibility of overblocking. Nevertheless, a differentiation between DNS blocks and IP blocks is indicated in the case law of the national courts.

For DNS blocks, the primary purpose is that, generally, significantly more content is blocked than is protected by the rights at issue. According to the case law of the BGH [German Federal Court of Justice], *illegal* content that infringes the rights of third parties, must be ignored from the outset.[88] This seems to be the correct approach since the fundamental right of the user to obtain information cannot have a predominant weight for content which the legal system does not approve of.[89] In the case of *legal* content, a case-by-case assessment must be made. It should be clear that not just any legal content should be sufficient to prevent a DNS block, meaning that the operator of a business model centered around rights infringements cannot hide behind a tiny proportion of legal content.[90] According to the BGH, a DNS block is reasonable where the website to be blocked contains only 4% legal content.[91] Ultimately, however, this type of quantitative assessment can only provide indicia; a qualitative assessment is crucial. This is because obtaining information from a business model centered around rights infringements seems to be less deserving of protection.[92]

IP blocks can also lead to overblocking on other websites if the website to be blocked shares an IP address with other websites that are otherwise not involved. According to the High Court of England and Wales, if these other websites have a legal business model, an IP block may not be implemented.[93]

IN PARTICULAR: BLOCKING COSTS

The question as to how costly and complex blocking measures are allowed to be, seemed to be of interest to the CJEU in *SABAM*[94] and *Scarlett Extended*,[95] although the Court did not answer it. The InfoSoc Directive says nothing on the question of costs and Article 3 of

87 CJEU C-314/12 of 27 March 2014, para. 56 – *UPC Telekabel*.

88 BGH of 26 November 2015, I ZR 174/14 para. 55 – *Störerhaftung des Access-Providers*, available: link see above.

89 Nordemann, J.B. Die Haftung allgemeiner Zugangsprovider auf Website-Sperren – Der aktuelle Stand nach BGH "Dead Island" (2018) *GRUR*, 1016 at 1020; *Nordemann* in Fromm/Nordemann, op.cit, § 97 para. 171.

90 BGH of 26 November 2015, I ZR 174/14 para. 55 – *Störerhaftung des Access-Providers*, available at: link above; Leistner, M., Grisse, K. Sperrverfügungen gegen Access-Provider im Rahmen der Störerhaftung (Teil 2) [Blocking orders against access providers in the scope of the principle of breach of duty of care (*Störerhaftung*) (part 2)] (2015) *GRUR* 105 at 108; Nordemann, J.B. Comments on CJEU judgment of 27 March 2014 – C-314/12 – *UPC Telekabel Wien GmbH v Constantin Film Verleih GmbH, Wega Filmproduktionsgesellschaft mbH (»Kino.to«),* 2014, Zeitschrift für Urheber- und Medienrecht (ZUM), 499 at 500.

91 BGH of 26 November 2015, I ZR 174/14 para. 55 et seq. – *Störerhaftung des Access-Providers*, available at: link above.

92 Nordemann, J.B. Die Haftung allgemeiner Zugangsprovider auf Website-Sperren – Der aktuelle Stand nach BGH "Dead Island" *GRUR* 2018, 1016 at 1020.

93 High Court of Justice, London (Chancery Division) of 17 October 2014 – [2014] EWHC 3354 (Ch), para. 254 et seq. – *Cartier v British Sky*.

94 CJEU C-360/10 of 16 February 2012, para. 46 – *SABAM*.

95 CJEU C-70/10 of 24 November 2011, paras. 34, 46 – *Scarlet Extended*.

the Enforcement Directive only states vaguely that costs should not be unreasonably high.[96] According to *UPC Telekabel*, it seems at least probable that the CJEU is of the view that the costs of blocking measures must be borne by access providers. The CJEU examined whether the measures imposed on the access providers, "which may represent a significant cost for him", are proportionate.[97] Numerous national courts, including in Austria, France and Germany, take the same view.[98] This also seems to be the correct view in light of the fact that the access provider's customers, as users, themselves infringe the right of reproduction (see above), such that blocking measures are (also) intended to prevent the access provider's own customers from committing rights infringements; it seems to be all the more justified to impose the costs on the access provider, as it can pass them on to its customers.

In contrast, the UK Supreme Court was of the opinion that, in the absence of provisions in the relevant directives, any rule regarding costs was a matter for Member States.[99] That court was of the opinion that since the bearing of costs is merely a modality, the regulation of that aspect fell to the national legislature. Therefore, a rule that imposes the costs for implementing blocking measures on the rightholders would not contradict EU law.[100] This opinion is unconvincing, however. The question as to who should generally bear the costs of blocking measures is part of the material requirements and thus part of the full harmonization of Article 8(3) of the InfoSoc Directive. It would also not be desirable for differing solutions to be found across the EU Member States for the question of whether the access provider should bear the blocking costs.[101]

The CJEU also made no ruling regarding the amount of the costs for implementing website blocks on the part of the access provider. Setting these limits – in the scope of the assessment of proportionality on a case-by-case basis – is a matter for the national courts. German courts have, according to the most recent case law, not set tight limits. Instead, they have interpreted the necessary expenditure in relation to the annual revenues of the access provider concerned. The court did not consider the six-figure costs claimed by the access provider to

96 See also Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, p. 138; *Rosati*, Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More ? (2017) *JIPLP*, 338 at 347.

97 CJEU C-314/12 of 27 March 2014, para. 50 – *UPC Telekabel*; Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More ? (2017) *JIPLP*, 338 at 343; Nordemann, J.B. in Fromm/Nordemann, § 97 UrhG marg. no. 171b; critical Leistner, M., and Grisse, K. *GRUR* 2015, 105 at 112; see also Spindler, G. Zivilrechtliche Sperrverfügungen gegen Access Provider nach dem EuGH-Urteil "UPC Telekabel" [Civil law blocking orders against access providers following the CJEU judgment in "UPC Telekabel"] *GRUR* 2014, 826 at 833.

98 Germany: Landgericht München I of 7 June 2019, 37 O 2516/18, available see footnote 7, para. 53 et. seq. France: Tribunal de Grand Instance de Paris (District Court) of 28 November 2013, n°11/60013, available at lexbase.com (n° A4052KQ7), decided that access providers would not have to bear the costs of implementation. This decision has been overruled by Cour d'Appel de Paris (Appellate Court), Pôle 5, Chambre 1, of 15 March 2016, n°14/01359, available at lexbase.com (n°A0584RBA), which decided that access providers have to cover the costs of implementation. Austria: Oberlandesgericht Wien (Appellate Court) of 14 November 2011, 1 R 153/ 11, decided that access providers have to cover the costs for implemented measures. Oberster Gerichtshof (Austrian Supreme Court) of 24 June 2014, 4 Ob 71/14s, available at: https://www.ris.bka.gv.at/Dokument.wxe?Abfrage=Justiz&Dokumentnummer=JJT_20140624_OGH0002_0040OB00071_14S0000_000; accessed: 15 August 2020., clarified that Courts do not have to evaluate proportionality of certain blocking measures, as access providers are free to choose how to comply with a blocking order.

99 UK Supreme Court [2018] UKSC 28, *Cartier v. British Telecom*, available at: https://www.supremecourt.uk/cases/uksc-2016-0159.html; accessed: 15 August 2020, albeit in a trade mark case.

100 See Husovec, M. p. 139 et seq. with further refs.

101 Of a different opinion, Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) Is More? (2017) *JIPLP*, 338 at 347.

be excessive.[102] At the latest since *UPC Telekabel*, access providers must thus also expect to have to install website blocks and should therefore be expected to have the corresponding technical infrastructure. High costs of setting up the relevant technical equipment for the first time should therefore not be taken into account in the scope of the assessment of proportionality.[103]

IN PARTICULAR: SUBSIDIARITY

The implementation of the EU law basis for blocking measures in Article 8(3) of the InfoSoc Directive differs at the national level. Whilst the substantive requirements of blocking claims are fully harmonized under Article 8(3) of the InfoSoc Directive, the possibility of regulating the modalities has been differently interpreted at the national level, such that there are differences in the implementation.

Considerations under EU law arise, in particular, with regard to subsidiarity requirement which the German BGH has established in its case law. According to that case law, rightholders must first take action against the website operators and their hosting providers because they are "considerably closer to the infringement of the protected rights than the party who only provides general access to the internet".[104] According to that view, only if reasonable measures against those parties that are closer to the infringement are unsuccessful can the access provider be the subject of legal action on a subsidiary basis. Other EU courts apply different criteria. For example, the High Court of England and Wales stated the following with regard to "alternative measures":

> It is common ground that there are a variety of measures which Richemont [the rightholder] could adopt to try and combat the infringements of the Trade Marks by the Target Websites. The dispute is as to the comparative efficacy and burden of the alternative measures.[105]

According to that, it is not a question of subsidiarity, as with the BGH, but of "comparative efficacy". The opinion of the Austrian OGH [Austrian Supreme Court] is in direct contradiction to the German case law, as it sees no basis for a subsidiarity of the respective claim in the national implementation (Sec. 81(1)(a) Austrian Copyright Act).[106]

A strict subsidiarity requirement, as ruled by the BGH, seems at the very least to be questionable from an EU law perspective. Article 8(3) of the InfoSoc Directive (and Article 11, third sentence of the Enforcement Directive) does not contain such a requirement. There are also no corresponding provisions apparent in the relevant directives or under EU primary law. Instead, there follows only a general principle of proportionality. The UK approach, in particular, of taking the "comparative efficacy" of blocking measures, seems to be more appropriate.

102 LG München I, final judgment of 1 February 2018, 7 O 17752/17, para. 69 et seq., available at: https://www.gesetze-bayern.de/Content/Document/Y-300-Z-BECKRS-B-2018-N-2857?AspxAutoDetectCookieSupport=1&contrast=change; accessed: 15 August 2020.

103 LG München I, final judgment of 1 February 2018, 7 O 17752/17, para. 69 et seq., available at: https://www.gesetze-bayern.de/Content/Document/Y-300-Z-BECKRS-B-2018-N-2857?AspxAutoDetectCookieSupport=1&contrast=change; accessed: 15 August 2020.

104 BGH of 26 November 2015, I ZR 174/14 para. 83 – *Störerhaftung des Access-Providers*, available: link see above.

105 High Court of Justice, London (Chancery Division) 17 October 2014 – [2014] EWHC 3354 (Ch), para. 197 – *Cartier v British Sky* (for Art. 11 3rd sentence Enforcement Directive 2004/48).

106 Oberster Gerichtshof [Austrian Supreme Court], decision of 24 October 2017, 4 Ob 121/17y, at V.6.3., available at: https://www.ris.bka.gv.at/Dokument.wxe?Abfrage=Justiz&Dokumentnummer=JJT_20171024_OGH0002_0040OB00121_17Y0000_000; accessed: 15 August 2020.

This also applies in light of the fact that the customers of the access provider at least infringe the right of reproduction themselves (see above) and therefore it does not seem to be justified to assume that access providers of those users are further removed from the infringement. In addition, it does not seem to be correct that Member States are given free rein. Since the question of subsidiarity must be answered in the scope of the aspect of proportionality, this cannot, as the BGH believes, be seen as a mere modality but a fully harmonized substantive requirement.[107]

GENERAL MONITORING OBLIGATIONS (FUNDAMENTAL RIGHTS AND ARTICLE 15 OF THE E-COMMERCE DIRECTIVE 2000/31)

Website blocks against access providers can only be issued in conformity with the prohibition of general monitoring obligations as per Article 15 of the E-Commerce Directive, since access providers are covered by the EU Safe Harbours. Furthermore, such general monitoring would infringe the internet users' fundamental rights.[108] In *Scarlet Extended*, the CJEU clarified that blocking measures should not lead to general monitoring obligations being imposed on access providers, since this would oblige them to monitor all data relating to each of their customers in order to identify infringements of intellectual property rights.[109] The CJEU had, in *L'Oréal*, already previously set out this prohibition directly in the Enforcement Directive, Article 3 of which states that measures must be fair and proportionate and not excessively costly.[110] Thus, the prohibition also applies outside of the scope of Article 15 of the E-Commerce Directive.[111] Access providers can therefore not be obliged to monitor all of their customers' data streams in order to identify and prevent any intellectual property rights infringements.[112]

Specific monitoring is, in contrast, not covered by the prohibition in Article 15 of the E-Commerce Directive. Recital 47 of the Directive states that mere obligations of a general nature are covered by the prohibition, but not "obligations in a specific case". In particular, according to that specific monitoring obligations are permitted if they are ordered by national authorities in accordance with national legislation. Specific monitoring obligations are also not precluded by Article 3 of the Enforcement Directive.

The distinction between specific monitoring and general monitoring is not always clear. Where filtering measures are concerned, it is sometimes even assumed that they infringe Article 15 of the E-Commerce Directive in principle. For example, *Angelopoulos* is of the opinion that measures which "can only be achieved by screening all (even non-infringing) content passing through its servers for infringing copies, i.e. practising general monitoring",[113] infringes Article 15 of the E-Commerce Directive. Under that opinion, URL blocks in particular (see above) would not be permitted.

107 Ohly, A. Anmerkungen zum Urteil des Bundesgerichtshofes vom 26 Juli 2018 [Comments on the judgment of the BGH of 26 July 2018], I ZR 64/17 (2019) *JZ*, 251 at 254; Nordemann, J.B. *GRUR* 2018, 1016 at 1018 et seq.; *Nordemann* in: Fromm/Nordemann, §97 marg. no. 171 a.

108 Rosati, E. Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) Is More? (2017) *JIPLP*, 338 at 341.

109 CJEU C-70/10 of 24 November 2011, paras. 36, 40 – *Scarlet Extended*.

110 CJEU C-324/09 of 12 July 2011, para. 139 – *L'Oréal*.

111 In detail, Husovec, M. *Injunctions Against Intermediaries in the European Union – Accountable But Not Liable?* 2017, pp. 117 et seqq.

112 CJEU C-70/10 of 24 November 2011, para. 40 – *Scarlet Extended*.

113 Angelopoulos. On Online Platforms and the Commission's New Proposal for a Directive on Copyright in the Digital Single Market, 2017, p. 27, available at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2947800; accessed: 15 August 2020.

In contrast, the CJEU has taken a less technical but legal (normative) approach to identify specific permitted monitoring obligations. The CJEU, for example, follows the opinion of the Advocate General in *UPC Telekabel*, according to which website blocks count as legitimate types of monitoring for certain websites.[114] In *McFadden*, Advocate General Szpunar differentiated between the non-permitted monitoring of every communication carried by the technical infrastructure of an intermediary, and the permitted monitoring obligation in a specific case, which must be limited in terms of the subject and duration of the monitoring.[115]

In *Facebook*, the CJEU interpreted the term of "specific case" in detail (on this case, see also the discussion in Chapter 21). In the main proceedings, an Austrian politician had demanded that the social network Facebook block access to a rights infringing comment, as well as statements with identical wording and/or having equivalent content, even if they have not been specifically brought to the attention of the network operator.[116] The CJEU ruled that such a blocking obligation is still a specific monitoring obligation.[117]

This CJEU ruling makes clear that there is a differentiation necessary between the technical side of filtering on the one hand and the (legal) normative view on the other hand. Filtering measures may make it technically necessary to look at all the data. However, specific filtering duties (only related to specific infringements that occurred in the past) have to be separated under legal aspects. Strictly legally speaking, specific filtering duties impose a lesser filtering duty than looking at all the infringements. This differentiation between the technical approach and the normative approach is also necessary in order to leave Article 15 of the E-Commerce Directive open for technical progress in filtering.[118]

Practical relevance in the Member States and outlook

Website blocks on the basis of the respective national implementation of Article 8(3) of the InfoSoc Directive have since become an established tradition in many EU Member States. This applies, for example, to Denmark, France, Great Britain (as a former EU member), Ireland, Austria and Portugal.[119] An example of this is the *ThePirateBay* blocks in many EU countries.[120] The practical significance of Article 8(3) of the InfoSoc Directive can therefore not be underestimated. An increasing trend is apparent, in the interests of an efficient handling of the not inconsiderable numbers of cases, of rightholders and access providers entering into voluntary self-regulation arrangements. One recent example is Denmark.[121]

114 CJEU C-314/12, Opinion of AG Villalón of 26 November 2013, para. 78 – *UPC Telekabel*.

115 CJEU C-484/14 of 15 September 2016, para. 132 – *McFadden*.

116 CJEU C-18/18 of 3 October 2019, para. 10 et seqq – *Facebook*.

117 CJEU C-18/18 of 3 October 2019, para. 35 et seq – *Facebook*.

118 Nordemann, J.B. The Functioning of the Internal Market for Digital Services: Responsibilities and Duties of Care of Providers of Digital Services, Study for the European Parliament IMCO Committee, 2020, p. 43 et seq., available at: link above.

119 Landgericht München I of 7 June 2019, 37 O 2516/18, available at footnote 7; Cour d'Appel de Paris, Pôle 5, Chambre 1, of 15 March 2016, n°14/01359, available at footnote 98; Oberster Gerichtshof of 24 January 2018, 3 Ob 1/18w, available at https://www.ris.bka.gv.at/Dokument.wxe?Abfrage=Justiz&Dokumentnummer=JJT_20180124_OGH0002_0030OB00001_18W0000_000; accessed: 15 August 2020; Court of Frederiksberg of 15 April 2019, BS-5975/2019-FRB, available at https://docplayer.dk/130135008-Retten-paa-frederiksberg-kendelse.html; accessed: 15 August 2020, referring to Danish Supreme Court of 10 February 2006, 49/2005; UK Supreme Court [2018] UKSC 28, *Cartier v. British Telecom*, available see footnote 99.

120 See the listing by country on Wikipedia "Countries blocking access to The Pirate Bay", available at: https://en.wikipedia.org/wiki/Countries blocking access to The Pirate Bay.

121 The project is called "Share with Care" and has been mediated by the Danish Ministry of Culture between the rightholders and the access providers, see https://rettighedsalliancen.dk/wp-content/uploads/2020/06/Report-On-Share-With-Care-2_Final.pdf.

Legally, following the landmark decision in *UPC Telekabel*, it seems already to have been clarified in principle that Article 8(3) of the InfoSoc Directive forms the basis for injunction orders for website blocking. Access providers are – as set out above – intermediaries within the meaning of the provision and their services are used by structurally infringing sites to infringe copyright or related rights. Therefore, the focus of the application of Article 8(3) of the InfoSoc Directive in future will be on individual questions within the assessment of proportionality. This applies, in particular, for questions concerning overblocking, costs and subsidiarity, as have been covered in detail above. It is likely that the CJEU will also look at these questions again.

References

Angelopoulos. European Intermediary Liability in Copyright: A Tort based Analysis, 2017.

Angelopoulos. On Online Platforms and the Commission's New Proposal for a Directive on Copyright in the Digital Single Market, 2017. Available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2947800; accessed: 15 August 2020.

British Ofcom. Site Blocking' to Reduce Online Copyright Infringement: A Review of Sections 17 and 18 of the Digital Economy Act, London, 2010. Available at https://www.igac.gov.pt/documents/20178/557437/Estudo_2017/3adcf3b7-e9ca-497a-bebd-5fc72cec72e7; accessed: 15 August 2020.

Cory. How Website Blocking Is Curbing Digital Piracy Without "Breaking the Internet", 2016. Available at https://www.igac.gov.pt/documents/20178/557437/Estudo_2017/3adcf3b7-e9ca-497a-bebd-5fc72cec72e7; accessed: 15 August 2020.

Czychowski/Nordemann. Grenzenloses Internet – entgrenzte Haftung? (2013) *GRUR* 986–996.

European Commission. Analysis of the application of the Directive 2004/48/EC, of the European Parliament and the Council of 29 April 2004 on the enforcement of intellectual property rights in the Member States, SEC(2010) 1589 final. Available at: https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SEC:2010:1589:FIN:EN:PDF; accessed: 15 August 2020.

European Commission. Counterfeit and Piracy Watch List, of 7 December 2018 SWD (2018) 492 final. Available at: http://trade.ec.europa.eu/doclib/docs/2018/december/tradoc_157564.pdf

Fromm/Nordemann. *Urheberrecht Kommentar (Commentary German Copyright Act)*, 12th ed. 2018.

Hofmann, F. Markenrechtliche Sperranordnungen gegen nicht verantwortliche Intermediäre (2015) *GRUR* 123–130.

Husovec, M. *Injunction against Intermediaries in the European Union – Accountable but not Liable?* Cambridge: Cambridge University Press, 2017.

Husovec, M. CJEU Allowed Website Blocking Injunctions with Some Reservations (2014) *JIPLP*, 631–634.

Leistner, M., Grisse, K. Sperrverfügungen gegen Access-Provider im Rahmen der Störerhaftung (Teil 2) (2015) *GRUR* 105–115.

Nordemann, J.B. Comments on CJEU judgement of 27 March 2014 – C-314/12 – *UPC Telekabel Wien GmbH/Constantin Film Verleih GmbH, Wega Filmproduktionsgesellschaft mbH (»Kino.to«)* (2014) *ZUM* 499–501.

Nordemann, J.B. Die Haftung allgemeiner Zugangsprovider auf Website-Sperren – Der aktuelle Stand nach BGH „Dead Island" (2018) *GRUR* 1016–1021.

Nordemann, J.B. Internet Copyright Infringement, Remedies Against Intermediaries – The European Perspective on Host and Access Providers (2012) 59(4) *Journal of the Copyright Society of the USA* 773–802. Available at: http://journal.csusa.org/archive/v59-04-CPY402.pdf; accessed: 15 August 2020.

Nordemann, J.B. Liability of online service providers for copyrighted content – Regulatory action needed? In-Depth analysis for the European Parliament's IMCO Committee, 2017. Available at: https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_IDA%282017%29614207; accessed: 15 August 2020.

Nordemann, J.B. Recent CJEU Case Law on Communication to the Public and its Application in Germany: A New EU Concept of Liability (2018) 13(9) *JIPLP* 744–756.

Nordemann, J.B. The Functioning of the Internal Market for Digital Services: Responsibilities and Duties of Care of Providers of Digital Services. Study for the European Parliament's IMCO

Committee, 2020. Available here: https://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU%282020%29648802; accessed: 15 August 2020.
Ohly, A. Anmerkungen zum Urteil des Bundesgerichtshofes vom 26 Juli 2018, I ZR 64/17 (2019) *JZ* 251–255.
Ohly, A. The Broad Concept of "Communication to the Public" in Recent CJEU Judgments and the Liability of Intermediaries: Primary, Secondary or Unitary Liability (2018) *JIPLP* 664–675.
Rosati, E. Intermediary IP INJUNCTIONS in the EU and UK Experiences: When Less (Harmonization) is More (2017) 12(4) *JIPLP* 338–350.
Rosati, E. The CJEU Pirate Bay Judgment and Its Impact on the Liability of Online Platforms (2017) 39(12) *EIPR* 737–748.
Shapiro, T. Directive 2001/29/EC on Copyright in the Information Society, in: *Copyright in the Information Society: A Guide to National Implementation of the European Directive* (Brigitte Lindner & Ted Shapiro eds., 2011), Cheltenham: Edward Elgar Publishing Limited
Spindler, G. Zivilrechtliche Sperrverfügungen gegen Access Provider nach dem EuGH-Urteil „UPC Telekabel" (2014) *GRUR* 826–834.

Case law

European Union

CJEU C-18/18 of 3 October 2019 – *Facebook*.
CJEU C-610/15 of 14 June 2017 – *Brein/Ziggo*.
CJEU C-527/15 of 26 April 2017 – *Brein/Wullems (Filmspeler)*.
CJEU C-494/15 of 7 July 2016 – *Tommy Hilfiger*.
CJEU C-160/15 of 8 September 2016 – *GS Media/Sanoma*.
CJEU C-484/14 of 15 September 2016 – *McFadden*.
CJEU C-572/13 of 12 November 2015 – *Hewlett Packard/Reprobel*.
CJEU C-435/12 of 10 April 2014 – *ACI Adam*.
CJEU C-314/12 of 27 March 2014 – *UPC Telekabel*.
CJEU C-314/12, Opinion of AG Villalón of 26 November 2013 – *UPC Telekabel*.
CJEU C-360/10 of 16 February 2012 – *SABAM*.
CJEU C-70/10 of 24 November 2011 – *Scarlet Extended*.
CJEU C-324/09 of 12 July 2011, para. 140 – *L'Oréal*.
CJEU C-557/07 of 19 February 2009 – *LSG/Tele2*.
CJEU C-275/06 of 29 January 2008 – *Promusicae*.

Domestic case law

Austria

Oberster Gerichtshof (Austrian Supreme Court) of 24 January 2018, 3 Ob 1/18w.
Oberster Gerichtshof (Austrian Supreme Court) of 24 October 2017, 4 Ob 121/17y.
Oberster Gerichtshof (Austrian Supreme Court) of 24 June 2014, 4 Ob 71/14s.
Oberlandesgericht Wien (Appellate Court of Vienna) of 14 November 2011, 1 R 153/ 11.

Denmark

Court of Frederiksberg of 15 April 2019, BS-5975/2019-FRB.

France

Cour d'Appel de Paris (Appellate Court of Paris), Pôle 5, Chambre 1, of 15 March 2016, n°14/01359.
Tribunal de Grand Instance de Paris (District Court of Paris) of 28 November 2013, n°11/60013.
Available at: lexbase.com (n° A4052KQ7).

Germany

Bundesgerichtshof (German Federal Supreme Court) of 26 November 2015, I ZR 174/14 – *Störerhaftung des Access-Providers* (Duties of Care of an Access-Provider).
Landgericht München I (District Court Munich I) of 07 June 2019 – 37 O 2516/18 – goldesel.to.
LG München I (District Court Munich I) of 01 February 2018, 7 O 17752/17 – *kinox.to*.

Sweden

Stockholm Tingsrätt (District Court of Stockholm), DOM 2009-04-17, Mål nr B 13301-06.

United Kingdom

Cartier v. British Telecom [2018] UKSC 28.
Cartier v. Sky [2014] EWHC 3354 (Ch).
Twentieth Century Fox et al. v. British Telecommunications [2011] EWHC 2714 (Ch).

19

LOCATION, LOCATION, LOCATION! COPYRIGHT CONTENT MODERATION AT NON-CONTENT LAYERS

Sebastian Felix Schwemer

Abstract

In the moderation and enforcement of copyright content, online platforms as well as internet access service providers play a prominent role. This chapter looks at less prominently addressed "layers" of the internet, namely in relation to the addressing system in form of domain name system (DNS). It first looks at the functioning of the DNS and its location within the content blocking landscape, before contrasting the DNS with linking, which is well-explored in the copyright jurisprudence and literature, in order to shed light on the role of the DNS in relation to copyright-infringing material. It then turns toward the liability exemption regime of the E-Commerce Directive and the cases of IP address rental and DNS-based content delivery networks. Finally, it looks at the practical role of registration data in the enforcement of copyright and scarce information on "voluntary" arrangements at the DNS-level. The "location" layer of the internet is, compared to online platforms, "far" from copyright-infringing content. Currently, the public consultation in connection with the ongoing review of the E-Commerce Directive under the working title Digital Services Act is touching upon the DNS space. Traditionally, the DNS has not featured prominently in copyright enforcement debates and it would be wrong to see a prominent role for the DNS going forward. Whereas the "location" layer might be appealing for enforcement purposes, issues and concerns of DNS blocking are manifold and can have serious repercussions on fundamental rights. Yet, already today, there exist voluntary arrangements for the moderation or enforcement of copyright content and the current discussions around the Digital Services Act might be the right place to expand transparency and accountability principles beyond the well-discussed platform enforcement also in the less visible layer of voluntary moderation or enforcement at the "location" layer.

Contents

Abstract 378
Introduction 379
Functioning of the DNS and its location within the content blocking landscape 380
A copyright twist: domain names and the DNS as a case of "linking"? 382
Liability exemptions in the E-Commerce Directive 384
DNS services and the E-Commerce Directive 385
The case of IP address rental 386
The case of content delivery networks 387
Information about the infringer: the practical role of registration data 390

"Voluntary" arrangements 391
Making sense of "location" in the enforcement of copyright 392
References 394
Case law 395
CJEU 395
Domestic case law 395

Introduction

In the context of injunctions and copyright-protected works, the InfoSoc Directive[1] noted in recital 59 already 20 years ago that "[i]n the digital environment, in particular, the services of intermediaries may increasingly be used by third parties for infringing activities". It continues that therefore "[i]n many cases such intermediaries are best placed to bring such infringing activities to an end". Given the vast developments of the internet over the last two decades, this statement indeed aged well.

Much of the scrutiny around the online enforcement of copyright-protected works focusses on the role internet access service providers, i.e., the telecommunications providers providing end-users with internet access and providing part of the physical infrastructure of the internet,[2] or on online platforms such as Facebook, YouTube, Pinterest and others. The practical importance of these intermediaries in the enforcement of copyright has led to ample case law as well as academic writing (see also the in-depth analysis in Chapter 18).

In this chapter, I focus on less prominently addressed aspects of the "logical" or "identifier" layer[3] of the internet, namely the role of the domain name system (DNS).[4] The DNS, as well as the respective intermediaries/service providers, have historically – while not completely off the radar – been somewhat less visible than their internet access service provider or platform counterparts in copyright-related discussions.

This chapter first provides a brief overview of the DNS and its location within the blocking landscape. Then it turns toward the functioning of these more technical intermediaries, before looking at the regulatory landscape. The role of intermediaries in the enforcement of rights can be defined by different factors. The legislative framework in form of liability rules, available injunctions and available liability exemptions with their conditions (such as notice-and-action regimes) provides the basis for the room of operations. This is complemented by a second strain of more or less "binding"[5] rules that further define the governance of intermediaries. These can either be encouraged by or induced by regulators, e.g., by

1 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19.

2 And related to this the provision of Wi-Fi, see C-484/14 *McFadden*, EU:C:2016:689. In Denmark, according to information from the industry organization *Teleindustrien*, for example, by October 2018 a total of 315 websites have been blocked.

3 Riordan (2016) differentiates five sub-classes of so-called network layer services, that is services that "route data packets between IP addresses on the internet and supply ancillary services", namely: internet service providers, cloud services, domain name controllers, and certificate authorities, see Riordan, J. (2016). *The Liability of Internet Intermediaries*. Oxford: Oxford University Press, p. 38 f.

4 It is important to note that this layer-distinction does not necessarily correspond to existing layer-models in the technical community.

5 On the notion of "non-binding" see below.

non-binding sets of recommendations.[6] Furthermore, also industry self-regulation or best practices play an important role in the governance of intermediaries. Finally, on the individual corporate level, practices, regularly formalized in terms of services, further refine the regulatory environment for how copyright-infringing material is dealt with by intermediaries.

Functioning of the DNS and its location within the content blocking landscape

The DNS forms an essential part of internet infrastructure. In the cybersecurity context and the operation of essential services, the DNS is defined as "hierarchical distributed naming system in a network which refers queries for domain names" in Article 4 No 14 of the NIS Directive.[7] The DNS is a distributed database and basically turns numeric Internet Protocol (IP) addresses into user-friendly domain names thereby acting as "road signs" of the internet.[8] In other words, the DNS "resolves" the domain name into the IP address, e.g., of a server which hosts the website (importantly, multiple websites can be hosted on a single server and thereby be accessible by the same IP address). The naming system is hierarchical and when a domain name is looked up, a query is sent to a root name server to start an iterative process that will end up with a query to a name server that returns an IP address for the specific domain name.

There is a variety of functions and service providers involved in the provision of the DNS. A domain name system service provider is in Article 4 No 15 of the NIS Directive tautologically defined as "an entity which provides DNS services on the internet". A top-level domain name registry is defined in Article 4 No 16 of the NIS Directive as "an entity which administers and operates the registration of internet domain names under a specific top-level domain (TLD)". The German country-code top-level domain <.de>, for example, is administered by DENIC, whereas the generic top-level domain <.com> is administered by Verisign. In order to translate or resolve domain names to IP addresses, internet services rely on DNS resolvers, which historically have been operated by internet access service providers.[9] Over the last decade, however, the market for DNS resolving has become significantly more dynamic with the operation of public DNS resolvers, regularly offered free of charge by, e.g., Google, Oracle or Cloudflare.[10]

When we ask the question on what role the DNS and other non-hosting infrastructure-related services of the "location layer" play in copyright enforcement, it is helpful to briefly locate DNS-based actions in the content blocking[11] landscape. There exists a variety of different

6 In the context of hosting platforms, see, e.g., Commission Recommendation (EU) 2018/334 of 1 March 2018 on measures to effectively tackle illegal content online, C/2018/1177, OJ L 63, 6.3.2018, pp. 50–61. In addition, also several Communications by the European Commission contain impulses or calls for self-regulation.

7 Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union, OJ L 194, 19.7.2016, pp. 1–30.

8 See, e.g., Bygrave, L., Schiavetta, S., Thunem, H., Lange, A.B., & Phillips, E. (2009). The Naming Game: Governance of the Domain Name System. In L. Bygrave & J. Bing (Eds.), *Internet Governance: Infrastructure and Institutions* (pp. 147–212). Oxford: Oxford University Press.

9 Roxana Radu R., & Hausding, M. (2020). Consolidation in the DNS Resolver Market – How Much, How Fast, How Dangerous?, *Journal of Cyber Policy*, *5*(1), p. 46.

10 Ibid. with a critique of the concentration of recursive DNS services. See also Nordemann, J.B. (2020). *The Functioning of the Internal Market for Digital Services: Responsibilities and Duties of Care of Providers of Digital Services*, Study Requested by the European Parliament's committee on Internal Market and Consumer Protection (IMCO), p. 32.

11 Conceptually and technically, there is potentially a difference between "blocking" and "filtering". RFC 7754 on "Technical Considerations for Internet Service Blocking and Filtering" explains: "'Blocking' often refers to preventing access to resources in the aggregate, while 'filtering' refers to preventing access to specific

content and website blocking techniques, which each come with technical and policy limitations and consequences.[12] In the DNS landscape generally much of the debate as well as measures are associated with "technical abuse",[13] i.e., the response to cybersecurity threats where the respective services are, e.g., used for a distributed denial-of-service (DDoS) attack. Historically, DNS blocking or DNS filtering, was introduced to combat spam e-mails being sent from malicious IP-addresses. The goal of the enforcement of copyright-protected works (and similarly infringements of other rights, e.g., in relation to hate speech, child sexual abuse material or pharmaceuticals[14]), on the other hand, is regularly to make the respective infringing content unavailable. In this context, the goal of a domain-name related measure, for example, is typically that the copyright infringing content can no longer be used to access the respective website.[15] There exist established mechanisms for the blocking or modification of resolution of a domain name for reasons related to the domain name *as such*, e.g., ICANN's Uniform Dispute Resolution Policy (UDRP). Related to the content to which a domain name "links", however, the picture is more complex.

Given its properties and functioning, the directory service provided by the DNS can be used to filter or block access to content or to redirect the end-user, e.g., to the nearest content delivery network (CDN).[16] Effectively, DNS blocking breaks the fundamental logical infrastructure of the internet. This is what makes the DNS an appealing but highly problematic layer of internet infrastructure in the enforcement of content.[17] This can be done at different levels. At the client-side web browser level, for example, some web browsers such as Google Chrome and Firefox prevent users from accessing malicious websites by relying on URL blacklist services.[18] These, however, are not subject to the present inquiry.

As already seen from this brief description, the DNS is a relatively complex part of the internet and I will not go further into the many details here. Suffice it to note that DNS service providers are not intermediaries in the transmission of content. However, their service is essential for connecting end users to content providers.

---

resources within an aggregate. Both blocking and filtering can be implemented at the level of 'services' (web hosting or video streaming, for example) or at the level of particular 'content. (…)", see Internet RFC 7754, "Technical Considerations for Internet Service Blocking and Filtering.", March 2016, https://tools.ietf.org/html/rfc7754 (last accessed 20 August 2020), p. 4.

12 Notably, in the United States, DNS blocking was proposed Stop Online Piracy Act (SOPA) and Protect IP Act (PIPA).

13 See on technical abuse, Schwemer, S.F. (2020). The Regulation of Abusive Activity and Content: A Study of Registries' Terms of Service. *Internet Policy Review, 9*(1). doi:10.14763/2020.1.1448 and Mahler, T. (2019). *Generic Top-Level Domains; A Study of Transnational Private Regulation*. Edward Elgar, p. 252.

14 In the context of e-mail spam and domain blacklisting regarding unlicensed prescription pharmaceuticals sites, see, e.g., Chachra, N., et al. (2014, June). Empirically Characterizing Domain Abuse and the Revenue Impact of Blacklisting. In *Proceedings of the Workshop on the Economics of Information Security (WEIS)* (Vol. 4).

15 DeNardis, L. (2012). Hidden Levers of Internet Control: An Infrastructure-based Theory of Internet Governance. *Information, Communication & Society*, *15*(5), 720–738; p. 728; Schwemer, S.F. (2018). On Domain Registries and Unlawful Website Content: Shifts in Intermediaries' Role in Light of Unlawful Content or Just Another Brick in the Wall? *International Journal of Law and Information Technology*, *26*(4), 273–293, p. 277.

16 See in detail below.

17 Domain name seizures, for example, have generally attracted criticism. See, e.g., Internet RFC 7754, "Technical Considerations for Internet Service Blocking and Filtering." March 2016, https://tools.ietf.org/html/rfc7754 (last accessed 20 August 2020), p. 6 ff.

18 See, e.g., Google Safe Browsing, https://safebrowsing.google.com (last accessed 20 August 2020) or StopBadware https://www.stopbadware.org (last accessed 20 August 2020). See also Schwemer, S., Mahler, T., & Styri, H. (2020). *Legal analysis of the intermediary service providers of non-hosting nature*. Final report prepared for European Commission, pp. 15 ff.

A copyright twist: domain names and the DNS as a case of "linking"?

Generally, there exists only scarce case law on the liability of domain registries and registrars in relation to content, which I have explored elsewhere.[19] Suffice it here to note that, whereas depending on national secondary liability concepts, it cannot be precluded that such DNS actors could be held liable for website content, it is rather unconvincing to hold so given the purely technical properties of the DNS and its actors noted above.

This said, conceptually the function of a domain name could from its outset be seen as somewhat resembling linking. At first glance, this may appear a far-fetched comparison, but it may nonetheless provide a useful exercise to contextualize the role of the DNS vis-à-vis the – from a copyright-perspective – more extensively analyzed role of hyperlinks (see also the discussion in Chapters 9 and 10): when you enter a domain name into a web browser, the domain name is resolved and turned into the numeric IP-address under which the respective "content" is available. Thus, an interesting question to explore is whether DNS-related activities could be seen as falling under the communication to the public right contained in Article 3 of the InfoSoc Directive.[20] If that were the case, various DNS actors, such domain registries and registrars as well DNS-resolvers,[21] could potentially be held liable for copyright infringement.

According to established case law, the concept of communication to the public includes two cumulative criteria, namely an act of communication and the communication of that work to a new public. With regard to hyperlinking to copyright-protected material from websites, the Court of Justice of the European Union (CJEU) has established a sophisticated and complicated line of the copyright-relevance of linking in the seminal cases C-466/12 *Svensson*, C-348/13 *BestWater*, and C-160/15 *GS Media*.[22] In *Svensson*, the Court basically established that hyperlinking to copyright-protected works which are already freely and lawfully available does not constitute a "communication to the public" because it does not address a new public. This view was reiterated in the *BestWater* case which concerned the scenario of framing and embedded videos. *GS Media* related to content that is freely available on the internet but without the prior authorization of the relevant rightholder. In that case, the Court was asked "whether, and in what possible circumstances, the fact of posting, on a website, a hyperlink to protected works, freely available on another website without the consent of the copyright holder, constitutes a 'communication to the public' within the meaning of Article 3(1) of Directive 2001/29".[23]

19 Schwemer, S.F. (2018). On Domain Registries and Unlawful Website Content: Shifts in Intermediaries' Role in Light of Unlawful Content or Just Another Brick in the Wall? *International Journal of Law and Information Technology*, *26*(4), 273–293.

20 This part of the chapter is inspired by a conversation with Tobias Mahler.

21 E.g. offered by Verisign, Google, AKAMAI or Cloudflare.

22 C-466/12 *Svensson*, EU:C:2014:76; C-348/13 *BestWater*, EU:C:2014:2315; C-160/15 *GS Media*, EU:C:2016:644. This chapter does not further look at C-527/15 *Filmspeler*, EU:C:2017:300, which regarded inter alia links to unlawful streaming content and Ziggo, which concerned magnet links: see Jütte, B.J. (2016). "A link too far: CJEU rules that sale equals communication and streaming from unlawful sources is illegal (C-527/15, Filmspeler)", https://europeanlawblog.eu/2017/05/24/a-link-too-far-cjeu-rules-that-sale-equals-communication-and-streaming-from-unlawful-sources-is-illegal-c-52715-filmspeler/ (last accessed 20 August 2020). For an in-depth analysis of the *GS Media* case, see Radosavljev, P. (2017). For Whom the Copyright Scale Tips: Has the CJEU Established a Proper Balance of Rights with its GS Media Case Judgement? *European Journal of Law and Technology*, *8*(3) and Rosati, E. (2017). GS Media and its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture. *Common Market Law Review*, *54*(4). See also currently pending case C-392/19 *VG Bild-Kunst v Stiftung Preußischer Kulturbesitz*, lodged on 21 May 2019.

23 *GS Media*, para. 25.

Interestingly, Advocate General (AG) Wathelet suggested in his Opinion – contrary to the Court's findings in *Svensson* – that "[a]lthough it is true that hyperlinks posted on a website make it much easier to find other websites and protected works available on those websites and therefore afford users of the first site quicker, direct access to those works, I consider that hyperlinks which lead, even directly, to protected works do not '*make available*' those works to a public where the works are already freely accessible on another website, but merely facilitate the finding of those works".[24] The Court did not follow the AG's suggestion. It held instead that Article 3(1) of the InfoSoc Directive

> must be interpreted as meaning that, in order to establish whether the fact of posting, on a website, hyperlinks to protected works, which are freely available on another website without the consent of the copyright holder, constitutes a 'communication to the public' within the meaning of that provision, it is to be determined whether those links are provided without the pursuit of financial gain by a person who did not know or could not reasonably have known the illegal nature of the publication of those works on that other website or whether, on the contrary, those links are provided for such a purpose, a situation in which that knowledge must be presumed.[25]

In other words, the provision of a hyperlink from a website to a copyright work that is freely available but was published without the rightsholder's consent can – at certain conditions – constitute a "communication to the public" within the meaning of Article 3(1) of the InfoSoc Directive.[26]

Already from the outset, these cases are quite distinct and need to be differentiated from a DNS perspective: *GS Media* concerned linking to previously unpublished copyright-protected pictures of Dutch *Playboy*, which were available on an Australian website. Furthermore, the CJEU cases concerned liability of the person posting a link. Transferred to the DNS, this would be the registrant, who regularly is the actor that also makes the hosted content available. Other DNS actors, such as, e.g., registries or registrars, however, could merely fall under contributory liability according to the respective national concepts (i.e., used as an accessory of the registrant).[27]

Despite these differences, there are a couple of transferable thoughts, however, which help shed light on the role of the DNS in relation to copyright-infringing material. Notably, the Court in *GS Media* pointed toward the importance of the internet for the exercise of fundamental rights and the central role of hyperlinking commenting that

> the internet is of particular importance to freedom of expression and of information […], and hyperlinks contribute to its sound operation as well as to the exchange of

24 Opinion AG Wathelet, EU:C:2016:221, para. 54. See also paras. 55–60, touching inter alia on the indispensable criterion vis a vis mere facilitation of access in *Football Association Premier League and Others* (C-403/08 and C-429/08, EU:C:2011:631) vis-à-vis *SGAE* (C-306/05, EU:C:2006:764, para. 42) and *Svensson and Others* (paras. 27 and 31).

25 *GS Media*.

26 The judgment has been interpreted as establishing a *de facto* take-down obligation for users, see, e.g., Rosati, E. (2016). "Hyperlinks and Communication to the Public: Early Thoughts on the GS Media Decision", http://ipkitten.blogspot.com/2016/09/hyperlinks-and-communication-to-public.html (last accessed 20 August 2020).

27 See on contributory / secondary liability in the context of Article 3(1) InfoSoc Directive also Opinion AG Saugmandsgaard Øe in Joined Cases C-682/18 *YouTube* and C-683/18 *Cyando*, EU:C:2020:586, paras. 94 ff.

> opinions and information in that network characterised by the availability of immense amounts of information.[28]

Given the essential function of domain names in the current architecture of the internet, the same must be said of the DNS.

Furthermore, the Court considered the intricacies of copyright licensing and noted that

> it may be difficult, in particular for individuals who wish to post such links, to ascertain whether website to which those links are expected to lead, provides access to works which are protected and, if necessary, whether the copyright holders of those works have consented to their posting on the internet.[29]

Translating this to the DNS, one can only presume that the difficulty for a party, that not actively connects a domain name to the content available under an IP-address but merely acts as intermediary, is at least as relevant. The Court further continued, noting that:

> [m]oreover, the content of a website to which a hyperlink enables access may be changed after the creation of that link, including the protected works, without the person who created that link necessarily being aware of it.[30]

And indeed, also the very nature of the DNS is that the content available under the IP address as well as the IP address as such can be changed. In fact, one IP address may very well be associated with many different hosting parties.

Admittedly, the comparison between hyperlinking to a copyright-protected work and the various DNS functions in pointing toward IP addresses might be far-fetched. In conclusion, however, it would be surprising – to say the least – if courts were to find a more extensive interpretation of the communication to the public concept in Article 3(1) of the InfoSoc Directive in relation to the DNS than what has occurred in relation to hyperlinking.

Liability exemptions in the E-Commerce Directive

Another starting point in order to assess the role of these intermediaries in copyright enforcement, is to look at the applicability of the liability exemption regime in the E-Commerce Directive,[31] because it gives us an idea of the conditions that an intermediary needs to satisfy in order to be exempt from (potential) liability. The E-Commerce Directive provides a horizontal liability exemption for certain intermediary functions, namely "mere conduit"[32] (Article 12), "caching"[33] (Article 13) and hosting (Article 14) and comes with certain conditions

28 *GS Media* para. 45. See Opinion AG Wathelet, para. 54. One of the accompanying footnotes (28) reads: "I believe that, because of the enormous quantity of information available on the internet, such information would actually be largely unfindable without hyperlinks. In my view, hyperlinks are at present an essential element of the internet architecture." In the same sense, see also Opinion AG Saugmandsgaard Øe in Joined Cases C-682/18 *YouTube* and C-683/18 *Cyando*, EU:C:2020:586, para. 241.

29 *GS Media*, para. 46.

30 *GS Media*, para. 46.

31 Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market, OJ L 178, 17.7.2000, p. 1–16.

32 Note the quotation marks in the Directive.

33 Note the quotation marks in the Directive.

that the respective information society service provider needs to fulfil in order to benefit from the liability exemption. The specific conditions of the liability exemptions, in turn, influence the role of these actors.[34]

DNS services and the E-Commerce Directive

When the E-Commerce Directive was adopted over 20 years ago, the EU legislature did not directly address the role of DNS providers in the intermediary liability exemption framework in Articles 12 to 15 of the Directive.[35] Over the years, the CJEU has taken a stance on a variety of service providers and their eligibility for the liability exemptions, including in relation to the provision of Wi-Fi-hotspots[36] and IP address rental.[37] There exists, however, very scarce case law on other functions and actors.[38] In the copyright enforcement context, the question of liability exemptions arises, for example, when a claimant wants to claim damages from an infringer.

In order to benefit from one of the E-Commerce Directive's liability exemptions, such service needs to fulfil several conditions. First, it needs to be the provider of an information society service. Such service is defined as autonomous concept in Article 1(1)(b) of the Technical Standards Directive,[39] as "any service normally provided for remuneration, at a distance, by electronic means and at the individual request of a recipient of services". DNS-services are not directly mentioned but neither contained in the indicative list of excluded services in Annex I of the Directive. While DNS-queries are not normally provided for remuneration, this does not inhibit the qualification as information society service providers because the condition does not require that the service is paid for by those for whom it is performed.[40] Given the broad genus of the information society service provider concept,[41] the provision of DNS functions does likely fall within this concept. This criterion might, however, be more problematic with regards to registrars which regularly have no control over the DNS as such because it remains with the registry, have no influence on the terms of service for the respective TLD and can be substituted by another registrar.[42] Lower court jurisprudence suggests, that at least domain registries are to be considered information society service providers.[43] Second, the activity of such service needs to be "of a mere technical, automatic and passive

34 See, e.g., on the developments of notice-and-action regimes under Article 14 E-Commerce Directive.

35 Domain names are mentioned in Article 2 (f) of the E-Commerce Directive in connection with "commercial communication", which implies that the DNS has not been completely off the radar of the lawmaker.

36 C-484/14 *McFadden*, EU:C:2016:689.

37 See further below.

38 For a non-exhaustive overview of lower court jurisprudence from different Member States in relation to liability and liability exemptions of domain registries and registrars before the *SNB-REACT* case (C-521/17 *SNB-REACT*, EU:C:2018:639), see Schwemer, S.F. (2018). On Domain Registries and Unlawful Website Content. *International Journal of Law and Information Technology*, *26*(4), 273–293, doi:10.1093/ijlit/eay012.

39 Directive (EU) 2015/1535 of the European Parliament and of the Council of 9 September 2015 laying down a procedure for the provision of information in the field of technical regulations and of rules on Information Society services, OJ L 241, 17.9.2015, pp. 1–15.

40 See, e.g., *Mc Fadden*, para 43. See earlier Case 352/95, *Bond van Adverteerders*, ECR 1988, 2085, point 16.

41 See the CJEU's case law on information society service provider notion, e.g., in *McFadden*.

42 Thus, the true nature of a registrar service maybe qualified as merely commercial mediation, see, e.g., C-434/15 *Uber Spain*, EU:C:2017:981 and C-390/18 *Airbnb Ireland*, EU:C:2019:1112.

43 Schwemer, S.F. (2018). On Domain Registries and Unlawful Website Content: Shifts in Intermediaries' Role in light of Unlawful Content or Just Another Brick in the Wall? *International Journal of Law and Information Technology*, *26*(4), 273–293.

nature, which implies that the information society service provider has neither knowledge of nor control over the information which is transmitted or stored".[44]

Assuming that such intermediary is to be seen as information society service provider, the question is whether DNS- or IP address-related service providers could be read under the current liability exemption. When looking at the intermediary functions addressed in the E-Commerce Directive, however, it becomes clear that they do not fit very well the case for the DNS. I have elsewhere argued that Article 12 of the E-Commerce Directive, given its *raison d'être*, could be applied in a teleological reading or by analogy.[45] *A maiore ad minus*, it makes little sense if intermediary information society service providers that are much closer to content, such as online platforms, can benefit from a liability exemption whereas DNS actors cannot. At the time of writing, however, there exists no reference before the CJEU that would clarify the question, which may be to the detriment of legal certainty. This lack of jurisprudence and of a reference to the CJEU could also be an indicator that the DNS indeed plays a neglectable role in the enforcement of copyright infringements. In any case, there have – despite the seemingly unclear position within the liability exemption framework of the E-Commerce Directive – emerged various responses by DNS actors on the issue, which will be touched upon below.

The case of IP address rental

In the case C-521/17 – *SNB-REACT*, the referring Estonian court asked the CJEU *inter alia* whether "*even* a service provider whose service consists in registering IP addresses, thus enabling them to be anonymously linked to domains, and in renting out those IP addresses"[46] (para. 26) can fall under the liability exemptions in Articles 12 to 14 of the E-Commerce Directive. The case concerned the enforcement of intellectual property rights, specifically trade mark rights.[47] Given the horizontal nature of the E-Commerce Directive's liability exemption rules, however, the case is also of interest in relation to the role such service providers play in the enforcement of copyright-protected works. The plaintiff, a Belgian anti-counterfeiting network representing trade mark owners in the proceedings, had brought an action seeking an injunction terminating infringement and preventing any future infringements of the trade mark rights in question. It argued that the defendant had registered internet domain names that were used to sell counterfeit goods. While acknowledging ownership over 38,000 IP-addresses, the defendant noted that they were rented out to two third parties and that his services consisted of providing access to an electronic communications network together with an information transmission service.

44 Recital 42 E-Commerce Directive. For hosting in the sense of Article 14 E-Commerce Directive, the CJEU applied the criterion in in C-324/09 *L'Oréal and Others*, EU:C:2011:474, para. 113; C-236/08 to C-238/08 *Google France and Google*, EU:C:2010:159, para. 113; C-291/13 *Papasavvas*, EU:C:2014:2209, paras. 40 ff.; however, not uncontested see, e.g., C-324/09 *L'Oréal v eBay*, Opinion of AG Jääskinen, EU:C:2010:757, paras. 138–142.

45 For a discussion in the academic literature see Schwemer, S.F. (2018). On Domain Registries and Unlawful Website Content: Shifts in Intermediaries' Role in Light of Unlawful Content or Just Another Brick in the Wall? *International Journal of Law and Information Technology*, *26*(4), 273–293, with further references; see also: Truyens, M., & Van Eecke, P. (2016). Liability of Domain Name Registries: Don't Shoot the Messenger. *Computer Law & Security Review*, *32*(2), 327–344. See also Schwemer, S., Mahler, T., & Styri, H. (2020). *Legal analysis of the intermediary service providers of non-hosting nature*. Final report prepared for European Commission, pp. 46 ff.

46 Emphasis added.

47 The national claim had been filed by ten members, including Willy Bogner GmbH & Co. KGaA; Burberry Ltd; FITFLOP Ltd; Franklin & Marshall S.r.l. A socio unico; TM 25 Holding B.V; New Era Cap Cp Inc; Pandora A/S; Ape & Partners S.p.A; Puma AG; TBL Licensing LLC rights protection.

From the judgment, it is somewhat unclear exactly what type of service is being considered and it has been interpreted by some as addressing domain registrars.[48] The CJEU rephrased the referring court's question at para. 40, essentially addressing the "provider of an IP address rental and registration service allowing domain names to be used anonymously". From the context of the case, it seems that the defendant offered only an IP address rental and registration service, which allowed the defendant's "*customers* to use domain names and websites anonymously" (para. 49, emphasis added). Thus, it appears that the defendant indeed only rented out IP addresses but not domain names as claimed by the plaintiff (para. 18). This reading is also confirmed by the preceding Estonian decision, which at para. 17 noted that "[t]he Land Court concluded, as a collection of evidence, that the defendant was only the owner of IP addresses, not the registrar or owner of websites".[49]

In its judgment of 7 August 2018, the Court held that such service, in any case, can fall under the E-Commerce Directive's liability exemptions provided that the relevant criteria are fulfilled.[50] Unfortunately, the CJEU refrained from giving further guidance on whether such service would qualify under "mere conduit", "caching" or hosting, thus leaving it for the referring Court to verify and assess the situation (paras. 50 and 52).[51] Drawing a distinction is of high relevance with a view to the consequences such as notice-and-action requirements set out, e.g., in Article 14 E-Commerce Directive. Notably, AG Wathelet refrained from issuing an opinion in the case.[52]

The case of content delivery networks

Since the adoption of the E-Commerce Directive in 2000, the internet has developed from static websites into more dynamic websites with increasing data transmission. In order to facilitate this, content delivery network (CDN) service provider have emerged which geographically distribute the delivery of content. Currently, "DNS-based server redirecting is considered the most popular means of deploying CDNs".[53] In other words, the DNS is used as a means of distributing the requests to different servers. One technical consequence of the use of CDNs is that the IP address of the website owner is no longer visible; instead the IP address of the CDN is returned. The use of CDNs is widespread among both legal and illegal websites and the role of these intermediaries has recently been challenged by copyright rightsholders in European lower courts.[54] The following two cases illustrate some of the issues at stake:

48 See, e.g., Allgrove, B. & Groom, J. (2020). Enforcement in a Digital Context: Intermediary Liability. In: T. Aplin (Ed.), *Research Handbook on Intellectual Property and Digital Technologies* (pp. 506–530). Edward Elgar, p. 508; Nordemann, J.B. (2020). *The Functioning of the Internal Market for Digital Services: Responsibilities and Duties of Care of Providers of Digital Services*. Study Requested by the European Parliament's committee on Internal Market and Consumer Protection (IMCO), p. 33.

49 See Tallinna Ringkonnakohus (date of decision: 26.11.2018, entry into force: 15.01.2019, local case no: 2-14-6942): https://www.riigiteataja.ee/kohtulahendid/fail.html?fid=241007681 [Translation from Estonian using https://neurotolge.ee/)] (last accessed 20 August 2020).

50 See Rosati, E. (2018). "Has the CJEU Quietly Changed the Conditions for Safe Harbour Availability?", http://ipkitten.blogspot.com/2018/08/has-cjeu-quietly-changed-conditions-for.html (last accessed 20 August 2020).

51 See also C-521/17, *SNB-REACT*, EU:C:2018:639, para. 42.

52 This could be interpreted as to the straight-forward character of the referred question or the case's minor importance. But also *Svensson* and *BestWater* were rendered as Judgment and Order, respectively, without a prior opinion of the appointed AG.

53 Wang, Z., Huang, J., & Rose, S. (2018). Evolution and Challenges of DNS-based CDNs. *Digital Communications and Networks*, *4*(4), 235–243.

54 In the US, see, e.g., United States District Court Central District of California (case no. CV 16-5051-GW (AFMx). One service provider, Cloudlflare, was in 2018 included in the European Commission's Counterfeit

In a first case, on 13 March 2019, Cloudflare was ordered by the Rome Court of First Instance in proceedings for a preliminary injunction to terminate the account of "several pirate websites".[55] In the Italian *Cloudflare* case, it was held that the service falls in principle under the E-Commerce Directive.[56] By focussing on the hosting element of the service and leaving aside the caching and mere conduit activities, the result was that Cloudflare failed to fulfil the condition in Article 14 E-Commerce Directive and the Italian corresponding implementing provisions and "[t]herefore, there arises liability of the resistant for both the collaboration in the spread of audio-visual files over which the plaintiff holds exclusive rights of economic exploitation […] and carrying out of the hosting provider activity".[57] This decision does not bring much clarity regarding the "location" part, but there are currently several further full-motion proceedings pending in Italy, which might shed more light on CDN's setup, in general, and potentially the role of this specific use of the DNS within the E-Commerce Directive.

Another recent German lower jurisprudence case before the District Court of Cologne also concerned Cloudflare.[58] The case related to an injunction regarding the website <ddl-music.to>, where various hyperlinks offered by various filesharing platforms to a music album were made available without the permission of rightholder Universal. In the case, the plaintiff argued that the CDN provider Cloudflare performed a communication to the public in accordance with CJEU case law, because it continued to keep the infringing content of its customer online despite concrete knowledge of the copyright infringement.[59] The plaintiff argued that the defendant could not rely on the mere conduit liability exemption,[60] because it *inter alia* selected the receivers at multiple-stages, as contractual partner of <ddl-music.to>. The plaintiff also requested that Cloudflare cease the DNS-resolver service for <ddl-music.to>.

Cloudflare, on the other hand, argued that it did not provide a hosting service and merely offered the transient storage of content in the sense of Articles 12 and 13 of the E-Commerce Directive.[61] The defendant furthermore declared in lieu of an oath that only specific static content would be temporarily saved on servers, whereas audio- and video-content would be generally excluded because the amount of data is unsuitable for efficiency-raising caching.[62] Thus, the activity would be restricted to the automatic redirection of content, which was neither chosen nor adapted in its form. Finally, Cloudflare noted that the blocking of specific content available under a specific URL is not possible given the structure of its services and that a complete blocking of <ddl-music.to> would be disproportionate.

Because the name servers of the CDN were used for this function, only Cloudflare's IP-addresses are visible, whereas the IP address of the website with the infringing content was invisible. Thus, to some extent this situation resembles the Whois-aspects of domain names. In essence, the court had to assess whether the defendant with regard to inter alia the

---

and Piracy Watch List, see European Commission (2018). *Counterfeit and Piracy Watch List*, Brussels, 7.12.2018 SWD(2018) 492 final.

55 *Mediaset (RTI) v. Cloudflare,* (order of Rome Court of First Instance of 13 March 2019, 1932/2019).

56 *Mediaset (RTI) v. Cloudflare* (order of Court of Rome VI of 24 June 2019, 26942/2019), p. 2.

57 *Mediaset (RTI) v. Cloudflare,* (order of Rome Court of First Instance of 13 March 2019, 1932/2019), p. 12.

58 *Universal Music GmbH (Germany)*, Cologne District Court (Landgericht Köln) on December 5, 2019, case no. 14 O 171/19.

59 Ibid., p. 10.

60 Article 12 E-Commerce Directive implemented in § 8 of the German Telemedia Act (TMG).

61 Or rather, the German implementation in § 8 and § 9 TMG. *Universal Music GmbH (Germany)*, Cologne District Court (Landgericht Köln) on December 5, 2019, case no. 14 O 171/19, p. 17.

62 *Universal Music GmbH (Germany)*, Cologne District Court (Landgericht Köln) on December 5, 2019, case no. 14 O 171/19p. 18.

DNS-resolver function was covered by the "mere conduit" liability exemption of Article 12 of the E-Commerce Directive.

The court underlined that the business model of the defendant is not based on the promotion of copyright infringements; rather, the anonymization of IP-addresses is an inevitable technical consequence of the integration of the CDN and thus not intentionally installed to foster the infringement of copyright-protected works.[63] Furthermore, the court confirmed – by relating to the existing German case law on internet access service providers – that the defendant has no duty to monitor or investigate the content of domains, for which it acts as nameserver and CDN server.[64] In relation to a potential liability exemption of Cloudflare, also the German court confirmed that its services would constitute an information society service provider[65] and recalled the conditions of the "mere conduit" liability exemption, noting however that these were not fulfilled in the present case.[66] The court assessed that the service was not restricted to the mere automatic storage.[67] Rather, Cloudflare was deemed, on the basis of its contract with its clients, to intervene in many dimensions in the transmission of information between users and website owners.[68] Notably, the defendant – and not the website owner– was argued to be involved in the selection of addressees of the transmitted information by filtering or sorting a part of the users based on the requesting IP-address.[69] Furthermore, the court noted that not only the intermediate, transient storage of website content is taking place, but rather as much as possible is stored on the local servers of the CDN.[70] The service aimed at the optimization and acceleration of the website that was performed by Cloudflare as name server via its CDN, so the court did argue, was necessarily coming with interventions in the transmission of information from and to the website of its customers, partly because Cloudflare guaranteed the availability of the customer's website even if it is temporarily inaccessible. Thus, the Court considered that Cloudflare would not be a "neutral" (passive) service provider in the sense of Article 12 E-Commerce Directive, i.e., merely performing the intermediate storage with the purpose of acceleration of transmission of information. In essence, Cloudflare selected which users get access to the website and did "not only do transient copies, but retains content provided by the customers on different local servers".[71]

It is important to note that both the examples discussed above regard preliminary injunctions before lower courts[72] and they do not provide a clear answer to the question of where to locate CDNs within the E-Commerce framework. Yet, both cases also illustrate the difficulty of one specific use of the DNS (in this instance as a "hack" for distributing requests to CDN servers) within the E-Commerce Directive.

63 *Universal Music GmbH (Germany)*, Cologne District Court (Landgericht Köln) on December 5, 2019, case no. 14 O 171/19, p. 29. In fact, services like Cloudflare are relied on by many websites. Despite this, however, *Cloudflare* was included in the European Commission's Counterfeit watch list, see above.

64 Ibid., p. 29.

65 Ibid., p. 27.

66 Ibid.

67 Ibid.

68 Ibid.

69 Ibid., p. 28.

70 Ibid. The court saw this substantiated in the fact that, if a website is temporary unavailable, Cloudflare presented this content from its own servers, which "unavoidably" means the selection and adaptation of content.

71 Nordemann, J.B. (2020). *The Functioning of the Internal Market for Digital Services: Responsibilities and Duties of Care of Providers of Digital Services*. Study Requested by the European Parliament's committee on Internal Market and Consumer Protection (IMCO), p. 33.

72 Additionally, the German judgment is surprisingly packed with grammatical errors and spelling mistakes.

Information about the infringer: the practical role of registration data

Domain registries and registrars provide another important resource for rightholders in the enforcement of copyright: the Whois database, which provides a domain name registrant's contact information. Importantly, Whois is not a single centralized database; instead, it is run and maintained by either the respective registry or registrar.[73] While tracing back to ARPANET in 1982, it has developed into an important tool for rightholders, law enforcement and users alike. Similarly, the RIPE database provides certain Whois information for IP addresses.[74]

Access to this information can be relevant for enforcement purposes when identifying infringing parties.[75] Yet, this access needs to be balanced *inter alia* again the protection of personal data. In the context of the Enforcement Directive,[76] the CJEU recently held that Article 8 on the "'Right of information" in the Enforcement Directive "does not cover, in respect of a user who has uploaded files which infringe an intellectual property right, his or her email address, telephone number and IP address used to upload those files or the IP address used when the user's account was last accessed".[77] In connection with the GDPR, the practices around Whois databases of domain registries have changed.[78] In the context of gTLDs, the ICANN community is currently drafting a "System for Standardized Access/ Disclosure to non-public gTLD registration data ('SSAD')", which is currently in the public comment period.

Registration data is also *one* angle for proactive "voluntary" measures related to (copyright) infringing activities. Some domain registries have identified a plausible correlation between domain names that are used for unlawful purposes and the quality of the registration data and introduced data validation processes.[79] In order to register a <.dk>-domain name, for example, Danish citizens need to validate their registrant information by using the common log-in solution NemID, which is used by, e.g., banks and the public sector. Generally, however, such measure depends on the existence of identity validation systems. This focus on registration data quality is appealing, given that it potentially constitutes a practical solution to the practical problem of using a domain name in connection with infringing content, without having the intermediary to perform an assessment of content. Importantly, the desired outcome – i.e., a reduction of domain names being used for making copyright-protected works available without rightholders' consent – is merely a by-product of ensuring correct registration data.[80] Registrants, however, might have a legitimate interest not to register a domain name under their name. This could be, for

73 See description by ICANN, https://whois.icann.org/en/about-whois#field-section-1 (last accessed 20 August 2020).

74 See, e.g., https://apps.db.ripe.net/db-web-ui/query (last accessed 20 August 2020).

75 At the same time, it is important to note that –looking beyond copyright– many "abused" domain names are legitimate domain names that get compromised.

76 Corrigendum to Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ L 157, 30.4.2004), OJ L 195, 2.6.2004, pp. 16–25.

77 C-264/19 *Constantin Film,* EU:C:2020:542, para. 40 See also C-275/06 *Promusicae*, EU:C:2008:54, paras 45 and 70; C-557/07 *LSG*, EU:C:2009:107, para 29; as well as: C-461/10 *Bonner Audio*, EU:C:2012:219; and C-149/17 *Bastei Lübbe,* EU:C:2018:841.

78 In Denmark, pre-existing national legislation has mitigated this issue of Whois for the national ccTLD to a certain extent.

79 E.g. Nominet, DK Hostmaster, DNS Belgium, EURid: see Schwemer, S.F. (2020). The Regulation of Abusive Activity and Content: A Study of Registries' Terms of Service. *Internet Policy Review*, *9*(1).

80 Registries will regularly not perform an analysis of content to which the domain name links.

example, the case if a registrant feared repercussions, e.g., in connection with political speech. And whereas this example has nothing to do with copyright, it shows that debates on copyright enforcement cannot ignore potential effects on non-copyright related aspects.

"Voluntary" arrangements

Finally, there exists a self-regulatory reality outside – but not entirely detached from – the legislative intervention. The question of what constitutes "voluntary" measures or arrangements largely depends on what service providers are obliged to undertake regarding usage of their services for copyright-infringing material, i.e., their liability.[81] The motivations for this form of self-regulation can be manifold, ranging from altruistic motives or CSR concerns to the management of legal risks.

Despite their seemingly unclear role in the liability exemption regime, some DNS intermediaries have engaged in a variety of arrangements regarding the enforcement of illegal content and – a certain degree – copyright. A first aspect relates to the service providers' terms and conditions with their respective customers.[82] A domain registry or CDN service provider may reserve the right to cancel the service agreement with its customer under certain conditions. In 2017, Cloudflare, for example, dropped DDoS-attack protection for the right-wing website The Daily Stormer as a customer, following the lead of other intermediaries including Google given public pressure against the provision of services to the website. Generally, it appears rare that intermediaries address copyright-infringements somehow related to their activities on their own initiative. Instead, there exist several examples of collaboration between a service provider and a so-called "trusted notifier". In relation to online platforms, a trusted notifier (also referred to as trusted flagger or trusted reporter) is defined in the European Commission's Recommendation on measures to effectively tackle illegal content online as "an individual or entity which is considered by a hosting service provider to have particular expertise and responsibilities for the purposes of tackling illegal content online".[83] The Commission bases its recommendation on the assumption that such arrangements lead to "higher quality notices and faster take-downs" vis-à-vis traditional notice-and-action regimes.[84]

Similar arrangements can also be traced in the DNS environment.[85] Counterintuitively an empirical study found that the reputation of notifiers made no difference

81 In the context of hosting, i.e., online platforms, the question of whether certain platforms themselves carry out a relevant act of communication to the public according to Article 3(1) of the InfoSoc Directive in addition to the users' copyright-relevant actions, there are currently two pending references for a preliminary ruling by the German Bundesgerichtshof before the CJEU, namely case C-682/18 – *YouTube* and case C-683/18 – *Elsevier*. The direct liability for online content sharing service providers comprising, e.g., YouTube or Instagram, a subgroup of information society service providers, in Article 17(1) of the DSM Directive.

82 In the context of ccTLD registries, see Schwemer, S.F. (2020). The regulation of abusive activity and content: a study of registries' terms of service. *Internet Policy Review*, *9*(1) and for gTLDs Kuerbis, B., Mehta, I., & Mueller, M. (2017). *In Search of Amoral Registrars: Content Regulation and Domain Name Policy*. Atlanta: Internet Governance Project, Georgia Institute of Technology.

83 Chapter 1, point 4 lit. g of Commission Recommendation (EU) 2018/334 of 1 March 2018 on measures to effectively tackle illegal content online C/2018/1177 [2018] OJ L 63, pp. 50–61. Such setup is foreseen both in relation to private and public actors (competent authorities).

84 The Commission's Recommendation is also of interest outside the platform space, see recital 15.

85 See Schwemer, S.F. (2019). Trusted Notifiers and the Privatization of Online Enforcement. *Computer Law & Security Review*, *35*(6), 105339.

in the action taken by DNS intermediaries.[86] There exist, for example, several gTLD[87] and ccTLD[88] registries that have trusted-notifier akin regimes in place. According to the German *Cloudflare* case, also the CDN provider Cloudflare maintains a trusted-reporter program with the Recording Industry Association of America (RIAA).[89] These arrangements do, however, not come without concern,[90] *inter alia* because the risk of rubberstamping and the risk for over-removal in the case of false positives. Concerns are aggravated by the fact that there often exists little transparency into the workings of these arrangements. Given the changes in the availability of Whois information, these models, however, might become more wide-spread in the future.

Making sense of "location" in the enforcement of copyright

The primary interest of a copyright holder is to stop the infringing activity. The liability exemption regime, briefly touched upon above, does not restrict rightholders' access to injunctions.[91] Thus, provided that the existence of an infringement or risk of infringement of copyright has been established in accordance with the respective legal standard, "a targeted measure intended to bring an end to that infringement or to prevent that risk" is still possible.[92] Articles 11 of the Enforcement Directive and 8(3) of the InfoSoc Directive oblige Member States to provide for injunctive relief, which regularly is the practical interest of rightholders (see the discussion in Chapter 18). Dynamic blocking injunctions are another development in the handling of large scale repeat online – often copyright-related – infringements, for example, with regards to mirror-sites, that have been granted in several EU Member States.[93]

In this chapter, I have looked at the role of certain non-hosting intermediaries in the enforcement of copyright infringements. The "location" layer of the internet is, compared to online platforms, far from copyright-infringing content. As opposed to hosting (and online platforms), no content is hosted. Furthermore, as opposed to internet access service providers, no content is transmitted. In the parallel debate involving online platforms, we can witness a shift from the reactive notice-and-action arrangements based on the E-Commerce Directive, toward more a proactive role.[94] The rationale for this, however, cannot simply be stretched into other non-hosting intermediaries such as the DNS space.

86 Cetin, O., Hanif Jhaveri, M., Gañán, C., van Eeten, M., & Moore, T. (2016). Understanding the Role of Sender Reputation in Abuse Reporting and Cleanup. *Journal of Cybersecurity*, *2*(1), 83–98.

87 See for a detailed analysis: Bridy, A. (2017). Notice and Takedown in the Domain Name System: ICANN's Ambivalent Drift into Online Content Regulation. *Washington and Lee Law Review*, *74*, 1345.

88 See Schwemer, S.F. (2019). Trusted Notifiers and the Privatization of Online Enforcement. *Computer Law & Security Review*, *35*(6), 105339.

89 Interestingly, there is no public information available on Cloudflare's website.

90 See for a critique Schwemer, S.F. (2019). Trusted Notifiers and the Privatization of Online Enforcement. *Computer Law & Security Review*, *35*(6), 105339.

91 See Articles 12(3), 13(2) and 14(3) of the E-Commerce Directive and: *SNB-REACT*, para. 51; *Mc Fadden*, paras. 77, 78 and 94.

92 *SNB-REACT*, para 51.

93 On the development toward dynamic blocking injunctions see van der Donk, B. (2020). How Dynamic is a Dynamic Injunction? An Analysis of the Characteristics and the Permissible Scope of Dynamic Injunctions under European Law after CJEU C-18/18 (Glawischnig-Piesczek). *Journal of Intellectual Property Law & Practice*, jpaa071.

94 See, e.g., Riis, T., & Schwemer, S.F. (2019). Leaving the European Safe Harbor, Sailing Towards Algorithmic Content Regulation. *Journal of Internet Law*, *22*(7), 1–21.

Currently, the public consultation in connection with the ongoing review of the E-Commerce Directive under the working title Digital Services Act is also touching upon the DNS space.[95] Any discussion on reasonable expectations for the role of DNS intermediaries, however, needs to be based on what DNS actors actually can do and what the DNS' relation to content is. The DNS has not featured prominently in copyright-enforcement debates and it would be wrong to see a prominent role for the DNS going forward. Besides conceptual challenges, arguments range from the intermediaries, e.g., registries and registrars having very little information, to the extremely low costs of DNS. The "location" layer is appealing for enforcement purposes, but the issues and concerns of DNS blocking are manifold and can have serious repercussions on fundamental rights. Any DNS-related measure must be proportionate, both in concrete copyright-infringement cases as well as in secondary legislation addressing the role of the DNS. There can exist a variety of aims that might qualify as legitimate, including the enforcement of copyright. However, a DNS measure is by default only partly suitable to achieve that aim because it will merely lead to a more limited availability in practice as the content will still be available on host servers.

Already today copyright enforcement at the DNS-level relies on voluntary arrangements and my expectation is that this is likely to increase over time despite its many downsides. In this context, it is necessary to stress the need for more transparency into these copyright content "moderation" arrangements in several dimensions. First, information about the existence of such mechanism and its procedure: second, substantive information about the criteria; and, third, related to reporting, i.e., what was decided, how and why. Besides transparency, these arrangements should also include procedural safeguards such as the challenging of notices, e.g., in-house, via alternative dispute resolution mechanisms or authorities.[96] Recommendation (EU) 2018/334 goes a long way but is primarily addressing platforms and constitutes a non-binding instrument.[97] Similarly, the DSM Directive contains some redress mechanisms, which, however are restricted to the online content sharing platform realm.[98] The Digital Services Act might be the right place to make these basic principles binding beyond the well-discussed platform enforcement also in the less visible layer of enforcement at the location-level.

95 https://ec.europa.eu/digital-single-market/en/news/consultation-digital-services-act-package (last accessed 20 August 2020).

96 See, e.g., Uniform Domain-Name Dispute-Resolution Policy (UDRP), URS (Uniform Rapid Suspension).

97 The Recommendation notes, for example, that "(...) decisions taken by hosting service providers to remove or disable access to content which they store should take due account of the fundamental rights and the legitimate interests of their users as well as of the central role which those providers tend to play in facilitating public debate and the distribution and reception of facts, opinions and ideas in accordance with the law."

98 See Article 17.

Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125; Schwemer, S., & Schovsbo, J.H. (2020). What Is Left of User Rights: Algorithmic Copyright Enforcement and Free Speech in the Light of the Article 17 Regime. In: P. Torremans (Ed.), *Intellectual Property Law and Human Rights* (4th edition, pp. 569–589). Alphen aan den Rijn: Wolters Kluwer.

References

Allgrove, B. & Groom, J. (2020). Enforcement in a Digital Context: Intermediary Liability. In: T. Aplin (Ed.), *Research Handbook on Intellectual Property and Digital Technologies* (pp. 506–530). Cheltenham; Northhampton, MA: Edward Elgar.

Bridy, A. (2017). Notice and Takedown in the Domain Name System: ICANN's Ambivalent Drift into Online Content Regulation. *Washington and Lee Law Review*, *74*, 1345.

Bygrave, L., Schiavetta, S., Thunem, H., Lange, A.B., & Phillips, E. (2009). The Naming Game: Governance of the Domain Name System. In L. Bygrave & J. Bing (Eds.), *Internet Governance: Infrastructure and Institutions* (pp. 147–212). Oxford: Oxford University Press.

Cetin, O., Hanif Jhaveri, M., Gañán, C., van Eeten, M., & Moore, T. (2016). Understanding the Role of Sender Reputation in Abuse Reporting and Cleanup. *Journal of Cybersecurity*, *2*(1), 83–98.

Chachra, N., McCoy, D., Savage, S., & Voelker, G.M. (2014, June). Empirically Characterizing Domain Abuse and the Revenue Impact of Blacklisting. In *Proceedings of the Workshop on the Economics of Information Security (WEIS)* (Vol. 4), http://www.econinfosec.org/archive/weis2014/papers/Chachra-WEIS2014.pdf (last accessed 20 August 2020).

DeNardis, L. (2012). Hidden Levers of Internet Control: An Infrastructure-based Theory of Internet Governance. *Information, Communication & Society*, *15*(5), 720–738.

Internet RFC 7754 (March 2016). Technical Considerations for Internet Service Blocking and Filtering. https://tools.ietf.org/html/rfc7754 (last accessed 20 August 2020).

Jütte, B.J. (2016). "Saving the Internet or Linking Limbo? CJEU Clarifies Legality of Hyperlinking (C-160/15, GS Media v Sanoma)", https://europeanlawblog.eu/2016/09/20/saving-the-internet-or-linking-limbo-cjeu-clarifies-legality-of-hyperlinking-c-16015-gs-media-v-sanoma/ (last accessed 20 August 2020).

Jütte, B.J. (2016). "A Link Too Far: CJEU Rules that Sale Equals Communication and Streaming from Unlawful Sources is Illegal (C-527/15, Filmspeler)", https://europeanlawblog.eu/2017/05/24/a-link-too-far-cjeu-rules-that-sale-equals-communication-and-streaming-from-unlawful-sources-is-illegal-c-52715-filmspeler/ (last accessed 20 August 2020).

Kuerbis, B., Mehta, I., & Mueller, M. (2017). *In Search of Amoral Registrars: Content Regulation and Domain Name Policy*. Atlanta: Internet Governance Project, Georgia Institute of Technology. https://www.internetgovernance.org/wp-content/uploads/AmoralReg-PAPER-final.pdf (last accessed 20 August 2020).

Mahler, T. (2019). *Generic Top-Level Domains; A Study of Transnational Private Regulation*. Cheltenham: Edward Elgar.

Nordemann, J.B. (2020). *The functioning of the Internal Market for Digital Services: responsibilities and duties of care of providers of Digital Services*, Study Requested by the European Parliament's committee on Internal Market and Consumer Protection (IMCO).

Radu, R., & Hausding, M. (2020). Consolidation in the DNS Resolver Market – How Much, How Fast, How Dangerous? *Journal of Cyber Policy*, *5*(1), 46–64, doi:10.1080/23738871.2020.1722191

Riis, T., & Schwemer, S.F. (2019). Leaving the European Safe Harbor, Sailing Towards Algorithmic Content Regulation. *Journal of Internet Law*, *22*(7), 1–21.

Riordan, J. (2016). *The Liability of Internet Intermediaries*. Oxford: Oxford University Press.

Radosavljev, P. (2017). For Whom the Copyright Scale Tips: Has the CJEU Established a Proper Balance of Rights with its GS Media Case Judgement? *European Journal of Law and Technology*, *8*(3). https://ejlt.org/index.php/ejlt/article/view/601/769

Rosati, E. (2017). GS Media and its Implications for the Construction of the Right of Communication to the Public within EU Copyright Architecture. *Common Market Law Review*, *54*(4).

Rosati, E. (2016). "Hyperlinks and Communication to the Public: Early Thoughts on the GS Media Decision", http://ipkitten.blogspot.com/2016/09/hyperlinks-and-communication-to-public.html (last accessed 20 August 2020).

Rosati, E. (2018). "Has the CJEU Quietly Changed the Conditions for Safe Harbour Availability?", http://ipkitten.blogspot.com/2018/08/has-cjeu-quietly-changed-conditions-for.html (last accessed 20 August 2020).

Schwemer, S.F. (2020). The Regulation of Abusive Activity and Content: A Study of Registries' Terms of Service. *Internet Policy Review*, *9*(1). doi:10.14763/2020.1.1448.

Schwemer, S.F. & Schovsbo, J. (2020). What Is Left of User Rights: Algorithmic Copyright Enforcement and Free Speech in the Light of the Article 17 Regime. In: P. Torremans (Ed.), *Intellectual Property Law and Human Rights* (4th edition, pp. 569–589). Alphen aan den Rijn: Wolters Kluwer.
Schwemer, S.F. (2019). Trusted Notifiers and the Privatization of Online Enforcement. *Computer Law & Security Review*, *35*(6), 105339. doi:10.1016/j.clsr.2019.105339.
Schwemer, S.F. (2018). On Domain Registries and Unlawful Website Content: Shifts in Intermediaries' Role in Light of Unlawful Content or Just Another Brick in the Wall? *International Journal of Law and Information Technology*, *26*(4), 273–293.
Schwemer, S., Mahler, T., & Styri, H. (2020). *Legal analysis of the intermediary service providers of non-hosting nature*. Final report prepared for European Commission.
Truyens, M., & Van Eecke, P. (2016). Liability of Domain Name Registries: Don't Shoot the Messenger. *Computer Law & Security Review*, *32*(2), 327–344.
Wang, Z., Huang, J., & Rose, S. (2018). Evolution and Challenges of DNS-based CDNs. *Digital Communications and Networks*, *4*(4), 235–243.
van der Donk, B.B. (2020). How dynamic is a Dynamic Injunction? An Analysis of the Characteristics and the Permissible Scope of Dynamic Injunctions under European Law after CJEU C-18/18 (Glawischnig-Piesczek). *Journal of Intellectual Property Law & Practice, 15*(18), 602–618.

Case law

CJEU

Judgment of 7 December 2006, *SGAE*, C-306/05, EU:C:2006:764.
Judgment of 29 January 2008, *Promusicae*, C-275/06, EU:C:2008:54.
Order of 19 February 2009, *LSG*, C-557/07, EU:C:2009:107.
Judgment of 23 March 2010, *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159.
Opinion of AG Jääskinen, delivered on 9 December 2010, *L'Oréal v eBa*y, C-324/09, EU:C:2010:757.
Judgment of 12 July 2011, *L'Oréal and Others*, C-324/09, EU:C:2011:474.
Judgment of 4 October 2011, *Football Association Premier League and Others,* C-403/08 and C-429/08, EU:C:2011:631.
Judgment of 19 April 2012, *Bonner Audio*, C-461/10, EU:C:2012:219.
Judgment of 13 February 2014, *Svensson*, C-466/12, EU:C:2014:76.
Judgment of 11 September 2014, *Papasavvas*, C-291/13, EU:C:2014:2209.
Order of 21 October 2014, *BestWater*, C-348/13, EU:C:2014:2315.
Opinion of AG Wathelet, delivered on 7 April 2016, *GS Media*, C-160/15, EU:C:2016:221.
Judgment of 8 September 2016, *GS Media*, C-160/15, EU:C:2016:644.
Judgment of 15 September 2016, *McFadden*, C-484/14, EU:C:2016:689.
Judgment of 26 April 2017, *Filmspeler,* C-527/15, EU:C:2017:300.
Judgment of 20 December 2017, *Uber Spain*, C-434/15, EU:C:2017:981.
Judgment of 7 August 2018, *SNB-REACT*, C-521/17, EU:C:2018:639.
Judgment of 18 October 2018, *Bastei Lübbe*, C-149/17, EU:C:2018:841.
Judgment of 19 December 2019, *Airbnb Ireland*, C-390/18, EU:C:2019:1112.
Judgment of 9 July 2020, *Constantin Film,* C-264/19, EU:C:2020:542.
Opinion of AG Saugmandsgaard Øe, delivered on 16 July 2020, *Youtube and Cyando,* C-682/18 and C-683/18, EU:C:2020:586.

Domestic case law

Tallinna Ringkonnakohus (date of decision: 26.11.2018, entry into force: 15.01.2019, local case no: 2–14–6942).
Mediaset (RTI) v. Cloudflare, (order of Rome Court of First Instance of 13 March 2019, 1932/2019).
Mediaset (RTI) v. Cloudflare (order of Court of Rome VI of 24 June 2019, 26942/2019).
Universal Music GmbH (Germany), Cologne District Court (Landgericht Köln) on December 5, 2019, case no. 14 O 171/19.

20

JURISDICTION AND CHOICE OF LAW IN ONLINE COPYRIGHT CASES

*Lydia Lundstedt**

Abstract

The online exploitation of copyright-protected content frustrates its effective enforcement. This is because the global reach of the internet stands in stark contrast to the territoriality principle of international copyright law, whereby each State determines whether and the extent to which content is protected within its own territorial borders. When protected content is exploited online, it has the potential to infringe in every State where the content is accessible. This poses a challenge for private international law because its rules are based on localizing connecting factors within a geographical territory. These rules can be difficult to apply in an online copyright case because the infringement can be ubiquitous. This chapter describes how the European Union (EU) rules on jurisdiction and applicable law apply to online copyright infringement cases and analyzes whether the Court of Justice of the European Union's (CJEU) interpretations of these rules fulfil the underlying objectives of private international law. Lastly, the chapter provides some perspectives for the future.

Contents

Abstract 396
Introduction 397
Jurisdiction 397
The accessibility approach 398
Extraterritorial jurisdiction 400
Choice of law 403
The targeting approach on the level of substantive law 404
Ubiquitous infringements 407
Conclusions 410
References 411
Case law 411

* The author would like to thank Prof. Michael Hellner, Senior Lecturer Daria Kozlowska Rautiainen, Senior Lecturer Erik Sinander, and Doctoral Candidate Anna Horn, all from Stockholm University, for their valuable input to an earlier version of this chapter.

CJEU 411
United Kingdom 412
EU Member States 412

Introduction

The online exploitation of copyright-protected content frustrates its effective enforcement. This is because the global reach of the internet stands in stark contrast to the territoriality principle of international copyright law, whereby each State determines whether and the extent to which content is protected within its own territorial borders.[1] When protected content is exploited online, it has the potential to infringe in every State where the content is accessible. This poses a challenge for private international law because its rules are based on localizing connecting factors within a geographical territory. These rules can be difficult to apply in an online copyright case because the infringement can be ubiquitous. This chapter describes how the European Union (EU) rules on jurisdiction and applicable law apply to online copyright infringement cases and analyzes whether the Court of Justice of the European Union's (CJEU) interpretations of these rules fulfil the underlying objectives of private international law. Lastly, the chapter provides some perspectives for the future.

Jurisdiction

When copyright is exploited online, the first issue that arises is where a rightholder can bring proceedings to put a stop to the infringement and obtain damages. If the defendant has their domicile in the EU, the rules on jurisdiction in the Brussels Ia Regulation apply.[2] These rules allow the rightholder to bring proceedings in the Member State of the defendant's domicile pursuant to Article 4 or in a Member State at the 'place where the harmful event occurred or may occur' pursuant to Article 7(2).[3] The CJEU has interpreted the 'place where the harmful event occurred' to encompass both the place where the event giving rise to the damage took place and the place where the damage occurred.[4]

The jurisdictional issues that arise in connection with online copyright cases deal primarily with two issues. The first issue is where the damage occurs for the purpose of attributing jurisdiction when the allegedly infringing content is accessible everywhere. The second issue is whether a Member State court may adjudicate claims and order relief with respect to infringements occurring outside its own territory, i.e., extraterritorial jurisdiction. This section will deal with each of these issues in turn.

1 See generally Lydia Lundstedt, *Territoriality in Intellectual Property Law: A Comparative Study of the Interpretation and Operation of the Territoriality Principle in the Resolution of Transborder Intellectual Property Infringement Disputes with respect to International Civil Jurisdiction, Applicable Law and the Territorial Scope of Application of Substantive Intellectual Property Law in the European Union and the United States* (Stockholm University 2016), 1–8, 73–123.

2 Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters [2012] OJ L 351/1 (Regulation 1215/2012).

3 Other grounds for jurisdiction such as Art 8(1) on multiple defendants are outside the scope of this chapter.

4 Case C-21/76 *Handelskwekerij Bier v Mines de Potasse d'Alsace* ECLI:EU:C:1976:166; Case C-68/93 *Shevill and others v Presse Alliance* ECLI:EU:C:1995:61.

The accessibility approach

The first issue that arises when allegedly infringing content is accessible online is where the damage occurs for the purpose of attributing jurisdiction under Article 7(2). For online copyright infringement disputes, the CJEU has localized the damage in every Member State where the protected content is or has been accessible.[5] Each Member State's jurisdiction is limited however to damage occurring within its own territory. The leading cases are *Peter Pinckney v KDG Mediatech* and *Pez Hejduk v EnergieAgentur.NRW GmbH*.

In *Pinckney*, an Austrian company made without authorization compact discs (CDs) of some songs written and performed by a French songwriter Mr. Pinckney.[6] Two UK companies sold the CDs through various websites accessible *inter alia* in France. Mr Pinckney brought proceedings in France against the Austrian company (but not the UK companies) seeking compensation for damage sustained from the infringement of his copyrights. The Austrian company challenged the jurisdiction of the French courts.

The CJEU held that the courts of a Member State that protects the copyrights alleged to be infringed has jurisdiction over any damage that occurs or may occur within its own territory.[7] The CJEU observed that copyrights, like national trade marks, are subject to the principle of territoriality although unlike trademarks, copyrights are automatically protected in all Member States.[8] Moreover, according to the CJEU, the fact that internet users in France could purchase the CDs via a website accessible in France meant that the damage could occur in France.[9] The CJEU based its ruling on the fact that the courts of a Member State in whose territory damage occurred were best placed to rule on the damage occurring within its territory.[10]

In so holding, the CJEU rejected the targeting approach suggested by Advocate General (AG) Jääskinen. Indeed, as a way to avoid a multiplication of courts with jurisdiction and prevent forum shopping due to the fact that damage on the internet can occur in every Member State, AG Jääskinen had proposed that jurisdiction should be limited to the courts of the Member State in which the website in question aims its activity.[11] The CJEU found however that a targeting approach was inconsistent with the wording of Article 7(2).[12] In addition, the CJEU stated that the rules on jurisdiction could not depend on criteria that are specific to the examination of the substance of the claim.[13]

The CJEU confirmed its holding in *Pinckney* in the subsequent *Hejduk* decision. While Pinckney dealt with unauthorized distribution for remuneration of tangible goods (CDs) via a website,

5 Case C-441/13 *Pez Hejduk v EnergieAgentur.NRW GmbH* ECLI:EU:C:2015:28, para 34; Case C-170/12 *Peter Pinckney v KDG Mediatech AG* ECLI:EU:C:2013:635, paras 43–44. See also Case C-523/10 *Wintersteiger AG v Products 4U Sondermaschinenbau GmbH* ECLI:EU:C:2012:220, para 29 (concerning trade mark infringement); Joined cases C-509/09 and C-161/10 *eDate Advertising GmbH and Others v X and Société MGN LIMITED* ECLI:EU:C:2011:685, paras 51–52 and Case C-194/16 *Bolagsupplysningen OÜ and Ingrid Ilsjan v Svensk Handel AB* ECLI:EU:C:2017:766 (concerning violations of personality rights). For an application of the damage head of jurisdiction in a non-internet context, see Case C-387/12 *Hi Hotel HCF SARL v Uwe Spoering* ECLI:EU:C:2014:215.

6 *Pinckney*, paras 9–12 (setting out the facts).

7 *Ibid*., para 43.

8 *Ibid*., para 39.

9 *Ibid*., para 44.

10 *Ibid*., para 46.

11 *Pinckney*, Opinion of AG Jääskinen, ECLI:EU:C:2013:400, paras 61–71.

12 *Pinckney*, para 42 (contrasting the text of Art 5(3) (now 7(2)) with that of Art 15(1)(c) (now 17(1)(c)), which contains a targeting requirement). For the sake of simplicity, this chapter refers to the article numbers of the current version of the Brussels Ia Regulation.

13 *Ibid*., para 41.

Hejduk dealt with unauthorized distribution to the public without remuneration of photographic works via a website.[14] According to AG Cruz Villalón, the situation in *Hejduk* warranted a different approach than in *Pinckney* because it involved 'delocalised' damage in every Member State where internet users could access the photographic works.[15] He suggested that the CJEU exclude the possibility of suing in the courts of the Member State where the damage occurred and limit jurisdiction to that of the courts of the Member State where the event giving rise to the damage occurred.[16] The CJEU however did not deem the differences between *Pinckney* and *Hejduk* significant. It held that the fact that the website was accessible within the jurisdiction of the court seized meant that there was a possibility that damage could occur in that Member State.[17] The CJEU reiterated its previous holding, that Article 7(2) does not require that the website containing the infringing content be directed to that Member State.[18]

The CJEU's 'accessibility approach' can be criticized for being inconsistent with Brussels Ia Regulation's objectives of foreseeability and proximity.[19] Indeed, the accessibility approach may result in attributing jurisdiction to courts in Member States for a non-existent infringement.[20] This is inconsistent with the objective of a close connection between the dispute and the court.[21] Moreover, a defendant should be able to foresee in which Member States it is amenable to suit. An internet operator has the freedom to do business in some but not all Member States.[22] If an operator is clearly not targeting certain Member States, it should not risk being hauled into court there. A broad interpretation of damage for establishing jurisdiction means however that a defendant may be sued in any and every Member State for each fraction of the damage occurring in each State. The accessibility approach also tips the balance in favor of the rightholder. Unscrupulous rightholders with deep pockets might use the advantage to force alleged infringers and others who have facilitated or contributed to the infringement to agree to an unfavorable settlement rather than become involved in litigation in a distant Member State.[23]

On the other hand, a problem with a targeting approach at the stage when a court examines its jurisdiction as advocated by AG Jääskinen is that the court must consider evidence relevant to the merits of the case.[24] This may lead to drawn out 'mini-trials' on jurisdiction that stand in conflict with the objective of legal certainty and having well-defined rules on

14 *Hejduk*, paras 10–13 (setting out the facts).

15 *Hejduk,* Opinion of AG Cruz Villalón, ECLI:EU:C:2014:2212, paras 41–44.

16 *Ibid*., paras 45–47.

17 *Hejduk*, para 34.

18 *Ibid*., para 32.

19 See Recitals 15–16 Regulation 1215/2012.

20 Eleonora Rosati, 'International Jurisdiction in Online EU Trade Mark Infringement Cases: Where is the Place of Infringement Located?' (2016) 38(8) *European Intellectual Property Law* 482, 488.

21 Rita Matulionyte, 'Enforcing Copyright Infringements Online- In Search of Balanced Private International Law Rules' (2015) 6 Journal of Intellectual Property, Information Technology and Electronic Commerce Law 132, 134 para 11.

22 See Art 16 Charter of Fundamental Rights of the European Union [2016] OJ C202/389 (establishing the freedom to conduct a business); Recital 5 Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC OJ L 60I/1 (noting traders' freedom to organize their commercial policy as they wish provided it is in accordance with Union and national law).

23 Paul Torremans, 'Copyright Jurisdiction under EU Private International Law', in Paul Torremans (ed), *Research Handbook on Copyright Law* (2nd edn, EE 2017) 563. Concerning the Possibility to Sue Intermediaries, see, e.g., *Stichting Brein v Google Inc*, District Court of the Hague, 5 October 2015, [2016] E.C.D.R. 16.

24 Matulionytė 2015, 136 para 24.

jurisdiction.[25] Moreover, while the accessibility approach favors the rightholder, it is tempered by the fact that the court's jurisdiction is limited to damage within its territory.[26] What is more, as will be explained further below, the CJEU has embraced a targeting approach on the level of substantive law. While a rightholder may bring proceedings in all 27 Member States pursuant to the accessibility approach, it is unlikely to succeed on the merits in those States unless the content on the website targeted internet users in those States.

Looking to the future, the Committee on Intellectual Property and Private International Law of the International Law Association (ILA) is developing soft law guidelines on 'Intellectual Property in Private International Law' (ILA Guidelines).[27] The ILA Committee took as its starting point a number of academic soft law projects that proposed solutions for the challenges posed by the cross-border exploitation of intellectual property (IP) rights, especially on the internet.[28]

The ILA Committee and these soft law projects have all rejected the accessibility approach in favor of some form of targeting or effects approach.[29] It remains to be seen whether this development will affect the EU's accessibility approach in the future.

Extraterritorial jurisdiction

The second issue that arises when infringing content is accessible online is whether a Member State court may adjudicate claims and order relief with respect to infringements occurring outside its own territory, i.e., extraterritorial jurisdiction.[30] When copyright is exploited

25 Torremans 2017, 561–562.

26 Matulionytė 2015, 137 para 30.

27 See ILA, 'Draft Guidelines: "Intellectual Property in Private International Law" (as of May 22, 2018)' (Sydney Conference 2018) (ILA Guidelines).

28 See American Law Institute, 'Intellectual Property: Principles Governing Jurisdiction, Choice of Law and Judgments in Transnational Disputes' (ALI Publishers, 2008) (ALI Principles); European Max Planck Group on Conflict of Laws in Intellectual Property, 'Principles on Conflicts of Laws in Intellectual Property', available at https://www.ip.mpg.de/fileadmin/ipmpg/content/clip/Final_Text_1_December_2011.pdf (last accessed 22 July 2020) (CLIP Principles); 'Transparency Proposal on Jurisdiction, Choice of Law, Recognition and Enforcement of Foreign Judgments in Intellectual Property (October, 2009)', in Jürgen Basedow, Toshiyuki Kono and Axel Metzger (eds), *Intellectual Property in the Global Arena: Jurisdiction, Applicable Law, and the Recognition of Judgments in Europe, Japan and the US* (Mohr Siebeck 2012) (Japanese Transparency Proposal); Joint Proposal Drafted by Members of the Private International Law Association of Korea and Japan, 'Principles of Private International Law on Intellectual Property Rights of October 14, 2010', available at http://www.win-cls.sakura.ne.jp/pdf/28/08.pdf (last accessed 22 July 2020) (Joint Principles); Korean Private International Law Association, 'Principles on International Intellectual Property Litigation approved March 26, 2010', cited by Andrew Christie, 'Private International Law Issues in Online Intellectual Property Infringement Disputes with Cross-border Elements: An Analysis of National Approaches' (World Intellectual Property Organization 2015), 23.

29 See Sec 5(b) ILA Guidelines; §204(2) ALI Principles; Art 2:202 CLIP Principles; Art 105 Japanese Transparency Proposal; Art 203 Joint Principles. See also Benedetta Ubertazzi, 'Infringement and Exclusive Jurisdiction in Intellectual Property: A Comparison for the International Law Association', (2012) 3(3) *Journal of Intellectual Property, Information Technology and Electronic Commerce Law* 227, 229, para 12, 234–235, para 46.

30 What is meant here by 'extraterritorial jurisdiction' is that a court orders a defendant to stop infringing in another State or States' territory and/or grants damages or other remedies for such infringements. However, even when a court's jurisdiction is limited to its own territory, such as when it is exercising jurisdiction based on the occurrence of damage in its territory discussed above, the court may still order a defendant to do something outside of the court's territory to stop the infringement within the territory (e.g., geo-blocking). See Lydia Lundstedt, 'Putting Right Holders in the Centre: Bolagsupplysningen and Ilsjan (C-194/16): What Does It Mean for International Jurisdiction over Transborder Intellectual Property Infringement Disputes?' (2018) 49 *IIC – International Review of*

online, it can potentially infringe all over the world. In such case, the rightholder may wish to bring an action before one court for the entirety of the online infringement and obtain extraterritorial, potentially global, relief[31] (see also the discussion in Chapter 21).

Traditionally, courts and scholars had been skeptical to the idea that a court could exercise jurisdiction over copyright and other IP infringements taking place in another State's territory.[32] Indeed, the territoriality principle was claimed to inform that every State had exclusive jurisdiction over disputes concerning IP rights registered or protected in its own territory.[33] The international trend however has been to abandon archaic rules on subject matter limitations on foreign copyright infringement claims.[34]

The Brussels Ia Regulation does not impose any subject matter limitations on foreign copyright infringement claims.[35] Extraterritorial jurisdiction exists therefore at the Member State of the defendant's domicile. Pursuant to Article 4 of the Brussels Ia Regulation, the Member State where the defendant is domiciled has general jurisdiction, which means that it may adjudicate on all damage and order the defendant to remove the infringing content anywhere in the world.[36]

As an alternative to the defendant's domicile, the rightholder may bring proceedings pursuant to the special rule on jurisdiction in Article 7(2) of the Brussels Ia Regulation. In addition to the place where the damage occurred as discussed above, Article 7(2) allows proceedings to be brought where the event giving rise to the damage took place (i.e., the harmful act). Pursuant to established CJEU case law applying this rule to torts, in general, the scope of the court jurisdiction at the place of the harmful act encompasses all damage occurring as a result of the harmful act within its territory.[37]

It had been long doubted however whether the duality of linking factors in Article 7(2) and the possibility of extraterritorial jurisdiction under the harmful act-linking factor applied to IP infringement disputes.[38] The reason for this is that pursuant to the territoriality principle underlying substantive IP law, it is not possible for an act in one State to infringe an IP right in another. The leading case that opened up the possibility for a rightholder to

---

Intellectual Property and Competition Law 1022, 1043–1044. See also *Stichting Brein v Google Inc*, District Court of the Hague, 5 October 2015, [2016] E.C.D.R. 16 (ordering Google to hand over data about the uploaders of e-books that were infringing in the Netherlands even though the data related to countries outside the EU).

31 An *author* may be able to bring a claim for the infringement of his/her moral rights and obtain global relief before the Member State where the author of the work has his/her center of interests. See Lundstedt 2018, 1033–1039.

32 Lundstedt 2016, 105–107.

33 *Ibid.,* 106.

34 See, e.g., *Lucasfilm Ltd v Ainsworth*, UK Supreme Court, [2011] UKSC 39, [2012] 1 AC 208. See also Marketa Trimble, 'The Multiplicity of Copyright Laws on the Internet' (2015) 25 *Fordham Intellectual Property, Media and Entertainment Law Journal* 339, 385.

35 Cf Art 24(4) Regulation 1215/2012 (concerning exclusive jurisdiction over proceedings concerned with the registration or validity of patents and other rights registered in Member States).

36 This is implicit in Case C-281/02 *Andrew Owusu v N. B. Jackson* ECLI:EU:C:2005:120, para 26 (holding that the Brussels Convention of 27 September 1968 on jurisdiction and the enforcement of judgments in civil and commercial matters (OJ 1978 L 304, p. 36) may apply when the claimant and the defendant are domiciled in one Member State while the facts at issue occurred in a third country). See also Case C-18/18 *Eva Glawischnig-Piesczek v Facebook Ireland Limited* ECLI:EU:C:2019:821, Opinion of AG Szpunar, paras 85–86; Pekka Savola, 'The Ultimate Copyright Shopping Opportunity – Jurisdiction and Choice of Law in Website Blocking Injunctions' (2014) 45 *IIC – International Review of Intellectual Property and Competition Law* 287, 306.

37 *Shevill* para 25; *eDate* para 52.

38 See, e.g., Nina Boschiero, 'Infringement of Intellectual Property Rights. Comments on Article 8 of the Rome II Regulation' (2007) *IX Yearbook of Private International Law* 87, 105.

obtain extraterritorial relief before a court exercising jurisdiction based on a harmful act within its territory was *Wintersteiger AG v Products 4U Sondermaschinenbau GmbH*, an online trade mark case. In *Wintersteiger*, the CJEU defined and localized the harmful act in view of the objectives of the rules on jurisdiction in the Brussels Ia Regulation and not from the perspective of substantive IP law.

In *Wintersteiger*, a seller took action in Germany to purchase as a keyword on Google's German search engine a trade mark registered in Austria by its competitor.[39] This meant that internet users searching on Google's German search engine for that trade mark would see the seller's own advertisement under sponsored links. The competitor alleged that this infringed its Austrian trade mark because internet users in Austria could use the German search engine to search for the trade mark and be exposed to the seller's advertising.

Under such circumstances, the CJEU found that the place where the event giving rise to the damage occurred under Article 7(2) was the place of seller's establishment because this was where the seller took and carried out the decision to activate the technical process that resulted in the display of the advertisement.[40] This place stands in contrast to the places where an infringement potentially could occur, which could be anywhere the trade mark was protected, provided the infringement is localized within that State's territory under the applicable law.[41] The CJEU found that localizing the harmful act at the place where the seller made the activation decision facilitated the sound administration of justice and efficacious conduct of proceedings because of the ease with which the court there could gather evidence relating to that act.[42]

It was in the context of interpreting Article 7(2) that the CJEU stated that the territorial limitation on the protection of a national mark under substantive trade mark law was not such as to exclude the international jurisdiction of courts other than the courts of the Member State in which that trade mark is registered.[43] It is apparent therefore that the CJEU was contemplating the possibility of a court exercising jurisdiction over claims for the infringement of foreign trade marks based on the occurrence of a harmful act within its territory. In its later judgment in *Hejduk*, the CJEU confirmed that the same approach applies to online copyright infringement disputes.[44]

It might be questioned whether localizing the harmful act at the place where the alleged infringer decides to activate a process that enables the communication to the public of infringing content is in fact consistent with the objectives of the Brussels Ia Regulation. It could be argued that the courts of the Member State where the decision to activate is made would not have proximity to the claim of unauthorized communication to the public of the protected content in the States where the content was accessible because the circumstances surrounding the activation decision are not relevant to proving that claim.[45] The evidence needed to prove communication to the public would likely be the contents of a

39 See *Wintersteiger* paras 10–15 (setting out the facts).

40 *Ibid*., paras 34–39.

41 *Ibid*., para 34.

42 *Wintersteiger* para 37.

43 *Wintersteiger* para 30. But see Torsten Bjørn Larsen, 'The Extent of Jurisdiction under the Forum Delicti Rule in European Trademark Litigation' (2018) 14(3) *Journal Private International Law* 549, 554 (concluding that extraterritorial jurisdiction does not exist under Art 7(2) Regulation 1215/2012).

44 *Hejduk* paras 24–25.

45 See Paulius Jurcys, Yuko Nishitani, and Simon Vande Walle, 'Summary of Comments and Discussion on International Jurisdiction' in Jürgen Basedow, Toshiyuki Kono and Axel Metzger (eds), *Intellectual Property in the Global Arena* (Tübingen, Mohr Siebeck 2010) 151; Annette Kur, 'Enforcement of Unitary Intellectual

website disclosing an intention on the part of the alleged infringer to target that territory.[46] This evidence would be available in the Member States where the content allegedly was communicated, that is, where it could be viewed on a computer screen. Moreover, as the alleged infringer can decide to activate the technical process in any Member State, this would lead to an arbitrary and unforeseeable attribution of jurisdiction.[47]

On the other hand, evidence of the contents of the website needed to show targeting would also be available where the activation decision is made. Moreover, other evidence disclosing an intention on the part of the alleged infringer to target certain States, such as a contract with an internet referencing service facilitating access to the alleged infringer's site by internet users in certain Member States, would be found there. Also, evidence showing whether the defendant was in fact responsible for the infringing communication would be available at the place of the decision to activate. Evidence concerning the defendant's culpability, which might be relevant for damages, would also be available there.[48] What is more, the CJEU ruled out localizing the harmful act where the process was technically activated, because this happened at the location of a third party's server, and therefore was not foreseeable or identifiable for the parties. Thus, it seems unlikely that the CJEU would localize the harmful act at any place an activation decision is made with no identifiable connection to the defendant.

In most cases, the place of the activation decision will coincide with the infringer's domicile. It is arguable however that the harmful act could be localized at the defendant's secondary establishment or at the location of the defendant's server, provided these places are identifiable and foreseeable for the parties, and have proximity to the dispute.[49] In these few, well-defined cases, attributing jurisdiction at the location of the harmful act is consistent with the Brussels Ia Regulation's objectives. It strikes a fair balance between the copyright holder and the alleged infringer by giving the former a real alternative to suing in the Member State of the defendant domicile while at the same time, fulfilling the objectives of foreseeability, legal certainty, and proximity. Attributing jurisdiction to the court where the harmful act occurred also has acceptance on the international level.[50]

Choice of law

Pursuant to Article 8(1) of Regulation 864/2007 (Rome II),[51] the law applicable to a non-contractual obligation arising from an infringement of an IP right is the law of the country for which protection is claimed (*lex protectionis*). The CJEU has not yet had the opportunity to interpret this concept in the copyright context. The prevailing view however is that Article 8(1) contains a subjective connecting factor that leaves the choice of applicable

Property Rights: International Jurisdiction and Applicable Law' (2015) *10 Journal of Intellectual Property Law & Practice* 468, 472 (discussing an analogous situation under trade mark law).

46 Case C-173/11 *Football Dataco Ltd and Others v Sportradar GmbH and Sportradar AG* ECLI:EU:C:2012:642 para 47. See also Case C-5/11 *Titus Alexander Jochen Donner* ECLI:EU:C:2012:370 paras 28–28 (concerning evidence to show distribution to the public of goods via a website).

47 Kur 2015, 472 (discussing a similar situation under trade mark law).

48 Lundstedt 2016, 163–164.

49 See Savola 2014, 297; Lundstedt 2016, 165.

50 See Sec 5(a) ILA Guidelines; §204(1) ALI Principles; Article 2:203(2)(a) CLIP Principles; Article 105 Japanese Transparency Proposal; Article 203 Joint Principles.

51 Regulation (EC) 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II) [2007] OJ L199/40 (Regulation 864/2007).

law to the plaintiff.[52] The plaintiff decides the applicable law by the way it frames its claim for relief.[53] If the plaintiff claims protection for a certain country or countries, the court applies the law of that country or countries. When protected content is exploited online, primarily two choice of law issues arise. The first is whether some minimal connection is required for a country's law to be applicable. The second issue is how to deal with the problem that, in an online environment, multiple laws may apply to the same act of infringement. This section will deal with each of these issues in turn.

The targeting approach on the level of substantive law

The first issue that arises when infringing content is accessible online is whether some minimal connection is required for a country's law to be applicable. Under the EU's approach, a minimum connection applies on the level of substantive law and not on the choice of law level. That is, the law of the country for which protection is claimed applies regardless of the strength of the connection to that territory.[54] The court will deny the infringement claim however, if the rightholder is unable to prove that the defendant's conduct has a sufficient connection to the territory under the applicable law. The CJEU appears to have supported this interpretation in *Football Dataco Ltd and Others v Sportradar GmbH and Sportradar AG*, where it interpreted the act of re-utilization under the Database Directive,[55] whose language is similar to the definition of the act of communication to the public in the InfoSoc Directive.[56]

In *Football Dataco*, the CJEU held that for an act of re-utilization to be localized in a Member State's territory, there must be evidence that 'discloses an intention on the part of its performer to target persons in that territory'.[57] In this case, the rightholders of a *sui generis* right in a database containing data about English football competitions, brought proceedings in the UK against a German company and its Swiss parent claiming that the defendants were infringing its right in the UK. The German company provided live data about English football to betting companies that aimed their services at the UK market. The betting

52 Andrew Dickinson, *The Rome II Regulation: The Law Applicable to Non-contractual Obligations* (Oxford University Press 2008) 458; Michael Hellner, Rom II-Förordningen: Tillämplig lag för utomobligatoriska förpliktelser (Stockholm: Norstedts Juridik 2014) 82; Axel Metzer, 'Article 8', in Magnus U, Mankowski P (eds), *Rome II Regulation – Commentary* (Sellier European Law Publishers 2019) 310–311, para 26. See also *Pinckney,* Opinion of AG Jääskinen, para 47.

53 Annette Kur and Ulf Maunsbach, 'Choice of Law and Intellectual Property Rights' (2019) 6 *Olso Law Review* 43, 55.

54 Hellner 2014, 182; *X (A Knoll Group Company) v Y (Italian Company)*, Case I ZR 91/11, German Federal Supreme Court, 5 November 2015, [2017] E.C.D.R. 26 (stating that the applicability of German law under Art 8(1) does not rely on whether the works in question are protected under German law and whether that copyright has actually been violated).

55 Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases [1996] OJ L77/20.

56 See Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society (INFOSOC) [2001] OJ L167/11.

57 *Football Dataco* para 47. Concerning the application of this approach by the Member State courts, see, e.g., *Warner Music UK Ltd & Sony Music Entertainment UK Ltd v TuneIn Inc.* [2019] EWHC 2923; *Fritz Hansen A/S v Interior Addict Ltd and Fritz Hansen A/S v Nlini Interiors Ltd* (V-63-12 & V-64-12), Danish Maritime and Commercial High Court (Sø- og Handelsretten), 20 May 2014, [2015] E.C.D.R. 18; *Omnibill (PTY) Ltd v Egpsxxx Ltd (In Liquidation)*, England and Wales High Court, [2014] EWHC 3762 (IPEC); *EMI Records Ltd. v British Sky Broadcasting Ltd.,* England and Wales High Court, [2013] EWHC 379 (Ch), [2013] E.C.D.R. 8, paras 48–51.

companies' websites contained a link to the German company's website containing the data so that when an internet user in the UK clicked on a link on the betting companies' websites, the user was able to access the data from the German company's website. The German and Swiss company denied that they were infringing *inter alia* on the ground that any alleged re-utilization of data took place exclusively in Germany, where the web server from which the data in question was sent was situated.

In its judgment, the CJEU suggested that an act of re-utilization could not be localized within the territory of a Member State unless some minimum connection to that Member State's territory exists. Indeed, the CJEU explained that the mere fact that a website containing data was accessible in a Member State's territory was not sufficient.[58] The CJEU found that a connection with a Member State's territory could be found if evidence showed that the website was targeting a Member State. This decision confirms and extends to the database right the CJEU's previous judgment in *L'Oréal SA and Others v eBay International AG and Others*, which applied a targeting approach to online infringements in a trade mark context.[59] In *Football Dataco*, however, the CJEU observed that even other connections to a Member State could suffice. Indeed, the CJEU contemplated that the act of utilization could be localized both in the Member State from which the infringing content was uploaded and transmitted (Member State of emission) in addition to all Member States whose territories are targeted.[60]

The CJEU indicated however that the localization of the act of re-utilization under substantive law was not relevant for the question which law applies, but only for the question whether an act was infringing under the applicable law. The CJEU observed:

> That conflict-of-laws rule [Article 8 Rome II] confirms that it is relevant to know whether, regardless of the possible localisation of the acts of sending at issue in the main proceedings in the Member State in which the web server of the person doing those acts is situated, the acts took place in the United Kingdom, the Member State in which Football Dataco and Others [the rightholders] claim protection of the Football Live database by the sui generis right.[61]

Indeed, as observed above, the national court determines the applicable law by the plaintiff's request for relief, that is, for which country or countries they claim protection. In order to determine whether an infringement has occurred under this law, however, the adjudicating court will need to know whether the act can be localized within the territory of the country for which the plaintiff is claiming protection.

58 *Football Dataco* para 36. See also Case C-324/09 *L'Oréal SA and Others v eBay International AG and Others* ECLI:EU:C:2011:474 para 64 (requiring a minimum connection for the application of European and national Member State trade mark law in online infringement case).

59 See Case C-324/09 *L'Oréal SA and Others* para 62–63.

60 Both before and after the CJEU's ruling in *Football Dataco*, the courts of the Member States have applied various versions of the emission approach when interpreting the territorial scope of their national laws. See *EMI Records Ltd. v British Sky Broadcasting Ltd.,* England and Wales High Court, [2013] EWHC 379 (Ch), [2013] E.C.D.R. 8, paras 35–38; *Dramatico Entertainment Ltd. v British Sky Broadcasting*, England and Wales High Court, [2012] EWHC 268 (Ch), para 68; *Marcio X…, Roberts Y… A… and Olivier Z…, Infringement of Copyright in Fashions Designs*, French Supreme Court, criminal ch, 5 February 2008, [2009] E.C.D.R. 1; *Pirate Bay*, case nr B 4041–09, Nov 26, 2010, Stockholm Court of Appeals (Sweden) 13–16.

61 *Football Dataco* para 32.

A potential problem with applying the law of the country for which protection is claimed without requiring any other connection to a country's territory is that it might lead to the application of a law of a country that claims a broad (extra)territorial scope of application.[62] For example, assume that A's work is used without A's permission on a website targeting Sweden but accessible all over the world including Patria. Assume that A initiates proceedings in Sweden and claims protection for the territory of Patria. Assume further that under the law of Patria, mere accessibility of a work on a website within Patria falls within the territorial scope of application of its copyright law. Pursuant to Article 8 Rome II, the Swedish court is to apply Patrian law and allow Patrian law to determine its own territorial scope of application. This may result in a finding that A's work has been infringed in Patria, even though the use of the work had very little connection to the territory of Patria. This result may be objectionable from an EU perspective because EU copyright law requires a minimum requirement to a Member State's territory for an act to fall within the territorial scope of application of the Member States' copyright laws.[63] Arguably, the Swedish court could avoid an objectionable result if in the specific case, the application of Patrian law would be 'manifestly incompatible' with Swedish (and EU) public policy (*ordre public*).[64] Public policy is however a drastic instrument and is used sparingly.[65]

To avoid having to resort to public policy, it would better if the international copyright community could develop a consensus on the substantive law level with respect to what constitutes a minimum connection to the territory for an act to fall within the territorial scope of national copyright law.[66] The WIPO's guidelines for trade mark use on the internet could serve as a source of inspiration.[67] These guidelines do not address the determination of the applicable law but rather function on the level of substantive law.[68] Another source of inspiration is the *de minimis* rule in the CLIP Principles, which is one of the soft law projects mentioned above. Pursuant to this rule, a court applying the applicable law shall find for an infringement only if there is some minimum connection to that State's territory.[69] Thus, in the example above, the Swedish court would still apply Patrian law as the law of the

62 Savola 2014, 300; Metzer 2019, 311, para 27.

63 See *Donner* para 28.

64 See Art 26 Regulation 864/2007.

65 The CJEU has not yet defined the limits of public policy with respect to the applicable law under the Rome II Regulation. Concerning the application of public policy as a ground for refusal to enforce a judgment under the Brussels Ia Regulation, see, e.g., Case C-681/13 *Diageo Brands BV v Simiramida-04 EOOD* ECLI:EU:C:2015:471; Case C-38/98 *Régie nationale des usines Renault SA v Maxicar SpA and Orazio Formento* ECLI:EU:C:2000:225. The reasoning in these judgments cannot automatically be applied to an application of public policy under Rome II, however, not least, when the applicable law is that of a third country and not a Member State.

66 See Christie 2015, 30; Lundstedt 2016, 548.

67 WIPO, Joint Recommendation (Publication 845) concerning Provisions on the Protection of Marks and other Industrial Property Rights in Signs, on the Internet 2001.

68 Preface WIPO Recommendation 2001.

69 Art 3:602 CLIP *De minimis* rule

> (1) A court applying the law or the laws determined by Article 3:601 shall only find for infringement if
> a the defendant has acted to initiate or further the infringement in the State or the States for which protection is sought, or
> b the activity by which the right is claimed to be infringed has substantial effect within, or is directed to the State or the States for which protection is sought.
>
> (2) The court may exceptionally derogate from that general rule when reasonable under the circumstances of the case.

protecting country, but would deny the infringement claim under Patrian law due to a lack of minimum connection between Patria and the allegedly infringing activity.

As an alternative to the *lex protectionis* rule combined with a substantive law solution, the choice of law rule itself could refer to the law of the country or countries with which some minimal territorial connection exists. An example of this is the market impact rule in the Japanese Transparency Proposal, another soft law project mentioned above.[70] Pursuant to this rule, the law applicable to infringements of IP rights is that of the country where the results of the exploitation of IP rights occur.[71] The Transparency Project defines this connection by the activity having an effect on the market of that territory.

The market impact rule reflects a policy decision that the economic interests underlying IP rights are not impaired unless the market is affected. If the EU were to adopt such a rule, in the example above, the Swedish court would apply Swedish law to the infringement claim because Sweden is the place where the results of the exploitation of IP are produced. Swedish law would be applied even though there may be people living in Patria who could read Swedish and access the website.[72] What is more, Swedish law would be applied even if the allegedly infringing content had been uploaded and transmitted from Patria.

In view of the objective of predictability of the outcome of litigation, certainty as to the law applicable, and maintaining a balance between the interests of the copyright holder and the alleged infringer, it may not make much difference whether one places the requirement of a connection at the level of choice of law or substantive law. Either way, the applicable law and the outcome of the litigation should be the same. In practice, a rightholder is unlikely to claim protection for a country unless there is some territorial connection between the alleged infringer's activity and that country necessary for proving an infringement under that country's copyright law. However, even if the rightholder did claim protection for a country with no real connection to the dispute, the outcome should be the same because the alleged infringer's activity would most likely fall outside the territorial scope of that law.

The *lex protectionis* rule best reflects the principle of territoriality because the forum court will evaluate the infringement from the perspective of the law of the place where protection is requested, thereby allowing each State to determine the extent to which IP rights are protected within its own territorial borders. Defining the connecting factor at the choice of law level requires the forum State to make a policy decision about what specific factor or factors (e.g., conduct, market effects, etc.) justify the application of a country's law. The *lex protectionis* rule leaves the decision with the country of protection.[73] Public policy will act as a safety valve in extreme cases, at least until the international copyright community develops substantive law guidelines for the application of copyright law online.

Ubiquitous infringements

The second issue that arises when infringing content is accessible online is how to deal with the problem that multiple laws may apply to the same act of infringement. Article 8

70 § 301 Transparency Proposal.

71 Paulius Jurčys, 'Applicable Law to Intellectual Property Infringements in Japan: Alternative Lex Loci Protectionis Principle' (2010) 24 *International Review of Law, Computers & Technology* 193, 200.

72 Jurčys 2010, 201.

73 Andrew Dickinson, *The Rome II Regulation: The Law Applicable to Non-contractual Obligations* (Oxford University Press 2008), 458.

of the Rome II Regulation does not provide any solution to this problem. Indeed, Article 8(3) does not allow the parties to choose the applicable law, and unlike the general rule in Article 4, Article 8 does not contain an escape clause allowing for the application of another law that has a 'manifestly closer connection' to the dispute.[74] Nor does Article 8 contain a single law approach like in Article 6(3)(b) Rome II, which allows the court to apply forum law under certain circumstances when the claims arise from restrictions of competition in several countries. Thus, the prevailing view is that in the case of ubiquitous infringements, the court is to apply the law of all the countries for which protection is claimed on a distributive basis.[75]

A CJEU judgment interpreting Article 8(2) Rome II may signal however that the CJEU may be inclined to judicially create a single law approach. In *Nintendo Co. Ltd v BigBen Interactive GmbH and BigBen Interactive SA*,[76] the CJEU held that when a defendant is accused of many acts of infringement of a unitary IP right in several Member States, the correct approach for identifying the country in which 'the act of infringement was committed' under Article 8(2) Rome II was

> not to refer to each alleged act of infringement, but to make an overall assessment of that defendant's conduct in order to determine the place where the initial act of infringement at the origin of that conduct was committed or threatened by it.[77]

In this case, the proprietor of a Community design right brought proceedings against two online operators for infringing its Community design right in several Member States. Pursuant to Article 8(2) Rome II, for any question not governed by the Community Design Regulation, the applicable law is 'the law of the country in which the act of infringement was committed'. The calculation of damages is an example of a question not covered by the Community Design Regulation.[78] The question arose how Article 8(2) should be interpreted when a website operator is accused of offering for sale via its website goods allegedly infringing a Community design right, when that website is accessible to consumers situated in Member States other than that in which the operator is established.

The prevailing view had been that in the event of an infringement taking place in several Member States, Article 8(2) directed the Community design (or trade mark) court seized to apply the laws of all the Member States in which an infringing act occurred.[79] In an online context, this could lead to the application of the laws of all the Member States (mosaic approach).[80] In light of the objectives of predictability and legal certainty underlying the Rome II Regulation as well as the need to strike a reasonable balance between the interests of the holder of an EU or Community right and the person claimed to be liable, the CJEU rejected the mosaic approach in favor of a single law approach.[81]

74 See Art 4(3) Regulation 864/2007.

75 Boschiero 2007, 111; Hellner 2014, 183; Metzer 2019, 311, para 28; Richard Plender & Michael Wilderspin, T*he European Private International Law of Obligations* (5th edn, Sweet & Maxwell 2020) 718, paras 22–024.

76 Joined Cases C-24/16 and C-25/16, ECLI:EU:C:2017:724.

77 *Nintendo* para 103.

78 Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs [2002] OJ L 3/1.

79 See Case C-479/12 *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH* ECLI:EU:C:2014:75, paras 99–102; Hellner 2014, 184. But see Metzer 316, para 38.

80 Kur 2015, 449 (critical of the mosaic approach).

81 *Nintendo* para 102.

These objectives would also support a single law approach for online copyright cases. In fact, it is even more pressing in relation to copyright because instead of 27 possible national laws, there could be as many as 177 national copyright laws to apply.[82] It is far from clear that the CJEU would be willing to transfer the approach in *Nintendo* concerning unitary EU rights, to the online infringement of national copyright. Indeed, applying the law of the country where the initial act of infringement occurred is in fact allowing that country's law to apply to conduct taking place outside its territory.[83] This is not controversial when it comes to the infringement of unitary EU rights, because these are supranational rights granted under EU law, and because the national laws on damages are harmonized under the EU Enforcement Directive.[84] Moreover, Member State law supplies the rule for only a few issues (e.g., damages) where the applicable EU regulation does not provide an answer. It is much more controversial if one country's copyright law would determine whether the alleged infringing use fell within an exception or limitation because, even within the EU, the laws vary significantly in this respect.[85] Moreover, a risk exists that a would-be infringer would manipulate the results by making sure that the initial act took place in country with a low level of protection.[86] Consequently, legislative action may be necessary for a single law approach to apply to online copyright infringement cases.

Looking to the future, the ILA Guidelines and the soft law projects mentioned above provide for a single law approach in the case of ubiquitous infringements.[87] First, all of the soft law projects (in varying degrees) allow for party autonomy.[88] Apart from that, they rely on the law with a close connection to supply the applicable law and provide different factors for the court to consider.[89] In that way, there is less risk that the alleged infringer can manipulate the result by relocating to an infringement haven.[90] In addition, these soft law projects include the possibility for a court to fashion a pragmatic remedy taking account of the law of a specific country (or countries) if it differs from the applicable law in certain aspects.[91] While the use of a 'close connection' as a connecting factor might make the applicable law difficult to identify and predict,[92] this can be overcome by introducing a presumption that the closest connection lies with a certain country, such as where the alleged infringer is established, unless it is an infringement haven.[93]

82 There are currently 177 States that are contracting parties to the Berne Convention for the Protection of Literary and Artistic Works of 9 September 1886 (last revised in 1971).

83 Matias Rättzén, 'Cross-border "Illegal" Linking: Questions of Localization and Choice of Law' (2019) 14 *Journal of Intellectual Property Law & Practice* 539, 544; Metzer 312–313, para 30.

84 Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights [2004] OJ L195/16.

85 See Art 5 INFOSOC (giving the Member States a catalogue of exceptions to pick and choose from).

86 Rättzén 2019, 544.

87 See Sec 26 ILA Guidelines; § 321 ALI Principles; Art 3:603 CLIP; Art 302 Japanese Transparency Proposal; Art 306 Joint Principles.

88 Sec 25(2) ALI Guidelines; § 302 ALI Principles; Art 3:606 CLIP Principles; Art 304 Japanese Transparency Proposal; Art 302 Joint Principles.

89 See Sec 26(1) ILA Guidelines; § 321(1) ALI Principles; Art 3:603(2) CLIP; Art 306(2) Joint Principles. The Japanese Transparency Proposal uses as a connecting factor 'the law of the place where the results of the exploitation of intellectual property rights occur or are to occur.' Art 302 Japanese Transparency Proposal.

90 Trimble 2015, 360.

91 Sec 26(2) ALI Guidelines; § 321(2) ALI Principles; Art 3:603(3) CLIP; Art 302(2) Japanese Transparency Proposal; Art 306(4) Joint Principles.

92 Christie 2015, 27–28, para 4.11; Trimble 2015, 380.

93 See Matulionyte 2015, 141, para 47.

An alternative to a single law approach is a localization approach on the level of substantive law. A localization approach pinpoints the place of the infringing act in a single location.[94] The country of emission principle in the EU Satellite and Cable Directive and the Digital Single Market Directive are examples of this approach.[95] A localization approach provides legal certainty because online users of content are able to determine *ex ante* in what country their activities are deemed to take place.[96] This approach also has an advantage for the rightholder because it will be easy to identify one single country for which it should claim protection. For such a solution to be acceptable, a certain level of harmonization is necessary to avoid the risk of infringement havens.[97]

Conclusions

The aim of this chapter has been to describe how the EU rules on private international law apply to online copyright infringement cases, analyze whether the CJEU's interpretations of these rules fulfil their underlying objectives, and provide perspectives for the future. With respect to jurisdiction, the CJEU's broad interpretation of damage to mean every Member State where allegedly infringing content is accessible, favors legal certainty over foreseeability and proximity, and tips the balance in favor of the rightholder. This said, the CJEU's interpretation of the harmful act for the purpose of jurisdiction strikes a fair balance between the copyright holder and the alleged infringer by giving the former a real alternative to the defendant's domicile while at the same time, fulfilling the objectives of foreseeability, legal certainty, and proximity.

The CJEU has not yet had the opportunity to interpret the concept of the law of the country for which protection is claimed in Article 8(1) Rome II. On the substantive law level, the CJEU has ruled that mere accessibility is not enough for a Member State's law to apply. The combination of the subjective connecting factor in *lex protectionis* and a minimum connection on the level of substantive law fulfils the objectives of foreseeability and legal certainty and maintains a fair balance between the interests of the copyright holder and the alleged infringer. It would be beneficial however if the international copyright community could develop substantive law guidelines for the application of copyright law online. Lastly, a single law approach to the problem of multiple applicable laws to the same act of copyright infringement would advance the objectives of predictability and legal certainty, provided the single law chosen also fulfilled these objectives. This could be done by allowing for party autonomy and a presumption for the closest connection. These changes require action by the EU legislator.

94 Trimble 2015, 358–359; Savola 2014, 301–303.

95 Art 1(2)(b) Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission [1993] OJ L248/15; Art 3(1) Directive (EU) 2019/789 of the European Parliament and of the Council of 17 April 2019 laying down rules on the exercise of copyright and related rights applicable to certain online transmissions of broadcasting organizations and retransmissions of television and radio programs, and amending Council Directive 93/83/EEC OJ L 130/82; Arts 5, 8–9 Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC OJ L 130/92.

96 Trimble 2015, 361.

97 Matulionyte 2015, 139–140.

References

Basedow J, Kono, T and Metzger, A (eds), *Intellectual Property in the Global Arena: Jurisdiction, Applicable Law, and the Recognition of Judgments in Europe, Japan and the US* (Tübingen, Mohr Siebeck 2012).

Boschiero N, 'Infringement of Intellectual Property Rights. Comments on Article 8 of the Rome II Regulation' (2007) *IX Yearbook of Private International Law* 87.

Christie A, 'Private International Law Issues in Online Intellectual Property Infringement Disputes with Cross-border Elements: An Analysis of National Approaches'. World Intellectual Property Organization (2015).

Dickinson A, *The Rome II Regulation: The Law Applicable to Non-contractual Obligations* (Oxford: Oxford University Press 2008).

Hellner M, *Rom II-Förordningen: Tillämplig lag för utomobligatoriska förpliktelser* (Stockholm: Norstedts Juridik 2014).

Jurčys P, 'Applicable Law to Intellectual Property Infringements in Japan: Alternative *Lex Loci Protectionis* Principle' (2010) 24 *International Review of Law, Computers & Technology* 193.

Kur A, 'Enforcement of Unitary Intellectual Property Rights: International Jurisdiction and Applicable Law' (2015) 10 *Journal of Intellectual Property Law & Practice* 468.

Kur A and Maunsbach, U, 'Choice of Law and Intellectual Property Rights' (2019) 6 *Oslo Law Review* 43.

Larsen T B, 'The Extent of Jurisdiction under the Forum Delicti Rule in European Trademark Litigation' (2018) 14(3) *Journal Private International Law* 549.

Lundstedt L, 'Putting Right Holders in the Centre: Bolagsupplysningen and Ilsjan (C-194/16): What Does It Mean for International Jurisdiction over Transborder Intellectual Property Infringement Disputes?' (2018) 49 *IIC – International Review of Intellectual Property and Competition Law* 1022.

Lundstedt L, *Territoriality in Intellectual Property Law: A Comparative Study of the Interpretation and Operation of the Territoriality Principle in the Resolution of Transborder Intellectual Property Infringement Disputes with respect to International Civil Jurisdiction, Applicable Law and the Territorial Scope of Application of Substantive Intellectual Property Law in the European Union and the United States* (Stockholm University 2016).

Matulionyte R, 'Enforcing Copyright Infringements Online- In Search of Balanced Private International Law Rules' (2015) 6 *Journal of Intellectual Property, Information Technology and Electronic Commerce Law* 132.

Metzer A, 'Article 8', in Magnus U, Mankowski P (eds), *Rome II Regulation – Commentary* (Sellier European Law Publishers 2019).

Plender R and Wilderspin M, *The European Private International Law of Obligations* (5th edn, London: Sweet & Maxwell 2020).

Rättzén M, 'Cross-border "Illegal" Linking: Questions of Localization and Choice of Law' (2019) 14 *Journal of Intellectual Property Law & Practice* 539.

Rosati E, 'International Jurisdiction in Online EU Trade Mark Infringement Cases: Where is the Place of Infringement Located?' (2016) 38 *European Intellectual Property Law* 482.

Savola P, 'The Ultimate Copyright Shopping Opportunity – Jurisdiction and Choice of Law in Website Blocking Injunctions' (2014) 45 *IIC – International Review of Intellectual Property and Competition Law* 287.

Torremans P, 'Copyright Jurisdiction under EU Private International Law', in Torremans P (ed), *Research Handbook on Copyright Law* (2nd edn, Cheltenham, Glos: EE 2017).

Trimble M, 'The Multiplicity of Copyright Laws on the Internet' (2015) 25 *Fordham Intellectual Property, Media and Entertainment Law Journal* 339.

Ubertazzi B, 'Infringement and Exclusive Jurisdiction in Intellectual Property: A Comparison for the International Law Association' (2012) 3(3) *Journal of Intellectual Property, Information Technology and Electronic Commerce Law* 227.

WIPO, 'Joint Recommendation (Publication 845) concerning Provisions on the Protection of Marks and other Industrial Property Rights in Signs, on the Internet' (2001).

Case law

CJEU

Case C-21/76 *Handelskwekerij Bier v Mines de Potasse d'Alsace* ECLI:EU:C:1976:166.

Case C-68/93 *Shevill and others v Presse Alliance* ECLI:EU:C:1995:61.

Case C-38/98 *Régie nationale des usines Renault SA v Maxicar SpA and Orazio Formento* ECLI:EU:C:2000:225.
Case C-281/02 *Andrew Owusu v N. B. Jackson* ECLI:EU:C:2005:120.
Joined cases C-509/09 and C-161/10 *eDate Advertising GmbH and Others v X and Société MGN LIMITED* ECLI:EU:C:2011:685.
Case C-5/11 *Titus Alexander Jochen Donner* ECLI:EU:C:2012:370.
Case C-173/11 *Football Dataco Ltd and Others v Sportradar GmbH and Sportradar* AG ECLI:EU:C:2012:642.
Case C-523/10 *Wintersteiger AG v Products 4U Sondermaschinenbau GmbH* ECLI:EU:C:2012:220.
Case C-170/12 *Peter Pinckney v KDG Mediatech AG* ECLI:EU:C:2013:635.
Case C-387/12 *Hi Hotel HCF SARL v Uwe Spoering* ECLI:EU:C:2014:215.
Case C-479/12 *H. Gautzsch Großhandel GmbH & Co. KG v Münchener Boulevard Möbel Joseph Duna GmbH* ECLI:EU:C:2014:75.
Case C-441/13 *Pez Hejduk v EnergieAgentur.NRW GmbH* ECLI:EU:C:2015:28.
Case C-681/13 *Diageo Brands BV v Simiramida-04 EOOD* ECLI:EU:C:2015:471.
Joined Cases C-24/16 and C-25/16 *Nintendo Co. Ltd v BigBen Interactive GmbH and BigBen Interactive SA* ECLI:EU:C:2017:724.
Case C-194/16 *Bolagsupplysningen OÜ and Ingrid Ilsjan v Svensk Handel AB* ECLI:EU:C:2017:766.
Case C-18/18 *Eva Glawischnig-Piesczek v Facebook Ireland Limited* ECLI:EU:C:2019:821, Opinion of AG Szpunar.

United Kingdom

Lucasfilm Ltd v Ainsworth, UK Supreme Court, [2011] UKSC 39, [2012] 1 AC 208.
Warner Music UK Ltd & Sony Music Entertainment UK Ltd v TuneIn Inc. [2019] EWHC 2923.
Omnibill (PTY) Ltd v Egpsxxx Ltd (In Liquidation), England and Wales High Court, [2014] EWHC 3762 (IPEC).
EMI Records Ltd. v British Sky Broadcasting Ltd., England and Wales High Court, [2013] EWHC 379 (Ch), [2013] E.C.D.R. 8.
Dramatico Entertainment Ltd. v British Sky Broadcasting, England and Wales High Court, [2012] EWHC 268 (Ch).

EU Member States

X (A Knoll Group Company) v Y (Italian Company), Case I ZR 91/11, German Federal Supreme Court, 5 November 2015, [2017] E.C.D.R. 26.
Stichting Brein v Google Inc, District Court of the Hague, 5 October 2015, [2016] E.C.D.R. 16.
Fritz Hansen A/S v Interior Addict Ltd and Fritz Hansen A/S v Nlini Interiors Ltd (V-63-12 & V-64-12), Danish Maritime and Commercial High Court (Sø- og Handelsretten), 20 May 2014, [2015] E.C.D.R. 18.
Pirate Bay, case nr B 4041-09, Nov 26, 2010, Stockholm Court of Appeals (Sweden).
Marcio X…, Roberts Y… A… and Olivier Z…, Infringement of Copyright in Fashions Designs, French Supreme Court, criminal ch, 5 February 2008, [2009] E.C.D.R. 1.

21

ENFORCEMENT OF EUROPEAN RIGHTS ON A GLOBAL SCALE

*Giancarlo Frosio**

Abstract

This chapter reviews global enforcement of European rights and the implications for copyright. Global extra-territorial enforcement of miscellaneous rights has emerged as a consistent trend in recent online regulation, both at international and EU level. In considering this trend, this chapter focuses on case law and policymaking that face the riddle of extra-territorial application of online intermediaries' obligations. This chapter describes, first, the historical origins of global enforcement and the complex issues that internet jurisdiction brings about. It then offers a panoramic overview of emerging global enforcement at the international level. Later, this chapter reviews to which extent global enforcement has been endorsed by the European legal system, both at EU and national level, with special emphasis on recent decisions from the Court of Justice of the European Union (CJEU), such as *Google v CNIL* and *Glawischnig v Facebook*. Finally, after a review of the political complexities surrounding global enforcement, the standards that might be applied for issuing global enforcement orders are discussed alongside their relevance for copyright.

Contents

Abstract 413
Introduction 414
Twenty years ago … *Licra v Yahoo!* 416
Global enforcement: an international trend? 419
Global enforcement in the EU 423
C-507/17 *Google v CNIL* 424
C-18/18 *Glawischnig-Piesczek v Facebook* 427
A Pilate's decision? 428
Global or local enforcement? 431
Limiting conflicts and promoting international coexistence 432
A subject matter specific balanced approach 433

* My most profound gratitude goes to my RA, Varnita Singh, for remarkable assistance given in preparing this chapter.

Conclusions 435
References 437
Case law 439

Introduction

The ubiquity of the internet has made enforcement[1]—any enforcement, not just intellectual property (IP) or copyright enforcement—an increasingly challenging task.[2] In this context, global extra-territorial enforcement of miscellaneous rights is emerging as a consistent trend in recent online regulation.[3] Extra-territorial enforcement would refer to 'the exercise of jurisdiction by a state over activities occurring outside its borders'.[4] Global enforcement would imply that an act of enforcement by one jurisdiction has effects in all jurisdictions worldwide. In particular, recent case law and policymaking is faced with the riddle of extra-territorial application of online intermediaries' obligations.

According to Dan Svantesson 'the most important, and perhaps most urgent, underlying issue facing the Internet [is] a fundamental clash between the global, largely borderless, Internet on the one hand, and the practice of lawmaking and jurisdiction anchored in a territorial thinking'.[5] As Svantesson points out, the key development that threatens the global internet relates to the geographical scope of online intermediaries' liability and obligations.[6] As a result, a major question that looms over the internet today is as follows: is it enough to enforce allegedly infringing content in a geographically segmented way, or are global dereferencing, blocking and takedown orders needed to fully guarantee the rights of injured parties?

The answer to this question becomes especially tricky because the internet is global, but jurisdiction is not. The Westphalian sovereignty system can hardly be stretched to reach the internet.[7] Traditionally, states are competent to regulate activities that 'touch their soil' as a part of their qualified territoriality. Therefore, states take action against internet activities conducted on their territory or the impact of which is felt on their territory, although it

1 See Xavier Seuba, *The Global Regime for the Enforcement of Intellectual Property Rights* (CUP 2017).

2 See Sophie Neumann, 'Ubiquitous and Multistate Cases' in Paul Torremans (ed), *Research Handbook on the Cross-Border Enforcement of Intellectual Property* (Edward Elgar 2014) 497–498.

3 See, for commentaries confirming this emerging trend, e.g., Michael Douglas, 'Extraterritorial Injunctions Affecting the Internet' (2018) 12(1) *J Equity* 34; Uta Kohl, *The Net and the Nation State*; *Multidisciplinary Perspectives on Internet Governance* (CUP 2017) (challenging the idea of an inherently global internet and making the argument that increasing territorial fragmentation has been emerging anywhere in the world, and between Western countries as well); Dan Svantesson, 'Jurisdiction in 3D—"Scope of (Remedial) Jurisdiction" as a Third Dimension of Jurisdiction' (2016) 12(1) *J Priv Int L* 60–76; The Information Society Project and The Floyd Abrams Institute for Freedom of Expression, *Extraterritorial Enforcement: Developing Norms for the Information Society* (Workshop White Paper, Yale Law School, 2018) <https://law.yale.edu/sites/default/files/area/center/isp/documents/extraterritorial_enforcement_paper.pdf> (last accessed 24 July 2020).

4 Deborah Senz and Hilary Charlesworth, 'Building Blocks: Australia's Response to Foreign Extraterritorial Legislation' (2001) 2(1) *Melb J Int L* 69, 72, as cited in Dan Svantesson, *Solving the Internet Jurisdiction Puzzle* (OUP 2017) 41 (discussing territoriality versus extraterritoriality). See also Radim Polcak and Dan Svantesson, *Information Sovereignty: Data Privacy, Sovereign Powers and the Rule of Law* (Edward Elgar 2017) para 3.6.

5 Dan Svantesson, 'Internet Jurisdiction and Intermediary Liability' in Giancarlo Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (OUP 2020) 691–692.

6 See Dan Svantesson, 'Between a Rock and a Hard Place – An International Law Perspective of the Difficult Position of Globally Active Internet Intermediaries' (2014) 30 *CLSR* 348.

7 See Chris Demchak and Peter Dombrowski, 'Cyber Westphalia: Asserting State Prerogatives in Cyberspace' (2013–2014) *Geo J Int Aff* 29, 33 (noting that 'the process of establishing cyber borders and thus states' sovereignty will be nonlinear, dangerous, and lengthy'.)

may impact comity principles and cause conflicts.[8] As a long-established approach, in case of conflict between local territorial law and the law applicable to particular activities on the net, States apply the 'comity doctrine' or 'sovereign-deference doctrine' and apply significant restraint in protecting individuals within their sphere of control. Comity has been described as 'a sort of intercourt diplomacy'.[9] According to a widely used definition,

> [c]omity in the legal sense, is neither a matter of absolute obligation on the one hand nor of mere courtesy and good will upon the other. But it is the recognition which one nation allows within its territory to the legislative, executive or judicial acts of another nation, and to the rights of its own citizens or of other persons who are under the protection of its laws.[10]

While territorial jurisdiction with extraterritorial impacts is common, inevitable, and legitimate, instances of actual extraterritorial jurisdiction are rare but can cause conflict.[11] The internet and global online platforms have now made these once rarefied instances increasingly common. In particular, given the increasing number of cases against intermediaries to remove, block or delist content globally, Svantesson argues that 'scope of remedial jurisdiction' has increasingly become a relevant third aspect of jurisdiction that needs consideration apart from personal and subject matter jurisdiction.[12]

On the internet, global enforcement takes a peculiar—and elusive—shape. Global enforcement applies to generic Top-Level Domains (gTLD), such as .com, rather than regional or country code Top-Level Domains (ccTLD), such as '.eu' or '.it'.[13] In practice, an Italian court ordering to enforce rights on '.com', rather than only on '.it', will be presumptively issuing an extra-territorial global enforcement order. In fact, gTLDs exist apparently in a sovereign vacuum, being technically detached from any sovereign national territory, under the control of the Internet Corporation for Assigned Names and Numbers (ICANN). In contrast, in 2000, ICANN Government Advisory Committee passed a set of principles that essentially claimed national sovereignty over country code top-level domains.[14]

Global enforcement brings about a fundamental tension between competing balancing of rights from multiple jurisdictions. Miscellaneous—and opposing—international approaches in balancing the competing rights at stake have steadily polarized the debate. In discussing the right to be forgotten, where an issue with global enforcement has emerged recently, Professor Floridi and Taddeo noted that

> [s]triking the correct balance between the two is not a simple matter. Things change, for example, depending on which side of the Atlantic one is. According to the European approach,

8 ibid. See also Jack Goldsmith 'Unilateral Regulation of the Internet: A Modest Defence' (2000) 11 *Eur J Int L* 135, 136.

9 Pamela Bookman, 'Litigation Isolationism' (2015) 67 *Stan L Rev* 1081, 1096.

10 *Hilton v Guyot* 159 US 113, 164 (1895).

11 See Teresa Scassa and Robert Currie, 'New First Principles: Assessing the Internet's Challenges to Jurisdiction' (2010) 42(4) *Georgetown J. of Int L* 1018, 1068–1073.

12 Svantesson (n 3) 60.

13 See Dan Svantesson, 'Delineating the Reach of Internet Intermediaries' Content Blocking – 'ccTLD Blocking', 'Strict Geo-location Blocking', or a 'Country Lens Approach'?' (2014) 11(2) SCRIPT-ed 153–170 (for a discussion of geo-blocking and cc-TLD blocking versus global blocking and gTLD blocking).

14 See Governmental Advisory Committee, ICANN, Principles for Delegation and Administration of ccTLDs (23 February 2000) http://www.icann.org/committees/gac/gac-cctldprinciples-23feb00.htm (last accessed 24 July 2020). See also Kim von Arx and Gregory R. Hagen, 'Sovereign Domains A Declaration of Independence of ccTLDs from Foreign Control' (2002) 9 Rich J L & Tech 4 (reviewing the early politics behind domain names and sovereign control).

> privacy trumps freedom of speech; whereas the American view is that freedom of speech is preeminent with respect to privacy. Hence, defining the responsibilities of OSPs [online service providers] with respect to the right to be forgotten turns out to be quite problematic, as it involves the balancing of different fundamental rights as well as considering the debate on the national versus international governance of the Internet.[15]

Of course, global enforcement does imply the worldwide enforcement of only one of the multiple possible balancing of rights, therefore potentially taking down or blocking access to content that would be infringing in one jurisdiction but is perfectly lawful anywhere else or at least in multiple other jurisdictions (on copyright website blocking orders, see the discussion in Chapters 18 and 19). Some jurisdictions might protect more tightly personality or privacy rights. Some others might favor (intellectual) property rights. And, others, again, might more often tip the balance in favor of freedom of expression. Enforcing one's national approach on '.com' would obviously frustrate multiple other approaches. This has become a conundrum increasingly hard to disentangle in the online environment.

Finally, this chapter examines the interface between internet jurisdiction, international private law issues, intermediary liability, and online enforcement.[16] This chapter's discussion touches only indirectly upon global enforcement of copyright and database rights as the large majority of decisions reviewed pertain to other subject matters, including defamation, hate speech, or privacy. Nonetheless, this jurisprudence—the global trend that it portends and the delicate balancing of human rights that lies underneath—can be applied *mutatis mutandis* to IP and copyright enforcement as well.

Twenty years ago … *Licra v Yahoo!*

The internet has produced complex jurisdictional challenges from the very beginning, especially when infringement of rights online had to be enforced. After initially resorting to

15 Mariarosaria Taddeo and Luciano Floridi, 'The Debate on the Moral Responsibility of Online Service Providers' (2015) 22 *Sci Eng Ethics* 1575, 1592.

16 Much has been written on the subject of internet jurisdiction and online enforcement. See, e.g., Pedro de Miguel Asensio, *Conflict of Laws and the Internet* (Edward Elgar 2020); Michael Geist, 'Is There a There There? Towards Greater Certainty for Internet Jurisdiction' (2001) 16 *Berkeley Tech L J* 1345; Jack Goldsmith and Tim Wu, *Who Controls the Internet? Illusions of a Borderless World* (OUP 2006); David Johnson and David Post, 'Law and Borders—The Rise of Law in Cyberspace' (1996) 48 *Stan L Rev* 1367; Scassa and Currie (n 11) 1018; Dan Svantesson, 'Jurisdictional Issues and the Internet—a Brief Overview 2.0' (2018) 34(4) *CLSR* 715–722; Svantesson (n 3); Dan Svantesson, *Private International Law and the Internet* (Kluwer Law Int'l 2016). Plenty of literature in the field has been dedicated to conflict of laws and data regulation. See, e.g., Jennifer Daskal, 'Borders and Bits' (2018) 71 *Vanderbilt L Rev* 179; Jennifer Daskal, 'The Un-Territoriality of Data' (2015) 125 *Yale L J* 326; Felicity Gerry QC and Nadya Berova, 'The Rule of Law Online: Treating Data Like the Sale of Goods: Lessons for the Internet from OECD and CISG and Sacking Google as the Regulator' (2014) 30 *CLSR* 475; Polcak and Svantesson (n 4) (elaborating on the assumption that information privacy is, in its essence, comparable to information sovereignty). Some writers have focused more specifically on Internet jurisdiction and copyright enforcement. See, e.g., Christophe Geiger, 'Challenges for the Enforcement of Copyright in the Online World: Time for a New Approach' in Paul Torremans (ed), *Research Handbook on the Cross-Border Enforcement of Intellectual Property* (Edward Elgar 2014); Martin Husovec, 'How Europe Wants to Redefine Global Online Copyright Enforcement' in Tatiana Eleni Synodinou (ed), *Pluralism or Universalism in International Copyright Law* (Kluwer Law International B.V 2019); Andreas Reindl, 'Choosing Law in Cyberspace: Copyright Conflicts on Global Networks' (1998) 19 *Mich J Int L* 799; Paul Torremans, 'Dangers and Challenges of Copyright Law's Segmentation in the Digital Era from a Private International Law Perspective' in Tatiana Eleni Synodinou (ed), *Pluralism or Universalism in International Copyright Law* (Kluwer Law International BV 2019).

the application of the law of the country where servers are located,[17] courts started realizing that this was a sub-optimal option. The application of the law of the place where damages were caused started to be seen as a better solution to address the requests of the injured party. Courts considered that claiming territorial competence on matters that saw their nationals being injured by online activities was necessary in order to provide them with appropriate protection under their own legal framework. A case decided by the High Court of Australia explains well the terms of this jurisdictional struggle:

> […] what the appellant seeks to do, is to impose upon Australian residents for the purposes of this and many other cases, an American legal hegemony in relation to Internet publications. The consequence, if the appellant's submission were to be accepted would be to confer upon one country, and one notably more benevolent to the commercial and other media than this one, an effective domain over the law of defamation, to the financial advantage of publishers in the United States, and the serious disadvantage of those unfortunate enough to be reputationally damaged outside the United States. A further consequence might be to place commercial publishers in this country at a disadvantage to commercial publishers in the United States.[18]

As well as *Gutnick*, plenty of other national courts made clear that they wanted full control over the legal redress provided to their own nationals, rather than leaving it to other jurisdictions, which might have applied different standards when it came to proper balancing of rights, therefore leaving expectations of national injured parties unfulfilled. Another early defamation case that saw a Canadian citizen suing the *Washington Post* before the Court of Appeal of Ontario qualified this principle further, limiting its reach but confirming its substance:

> Even if the connection is significant, however, the case for assuming jurisdiction is proportional to the degree of damage sustained within the jurisdiction. It is difficult to justify assuming jurisdiction against an out-of-province defendant unless the plaintiff has suffered significant damage within the jurisdiction.[19]

The internet jurisdiction conundrum—and the perils of global enforcement—showed its full complexity in the Catch-22 scenario of *Licra & UEJF v Yahoo!*. The Plaintiffs, two non-profit organizations located in France filed a civil complaint against Yahoo! Inc., and Yahoo! France. The complaint was against the auction site run by Yahoo!, which allowed users to post Nazi memorabilia for sale, in violation of the French Criminal Code.[20] The matter was before the Tribunal de Grande Instance de Paris, which accepted the complaint to hold the

17 See, e.g., Martin Copenhaver, 'Orphan Works and Global Interplay of Democracy, Copyright, ad Access' in Kirk St. Amant and Martine Rife (eds), *Legal Issues in Global Contexts: Perspectives on Technical Communication in an International Age* (Routledge 2016) (discussing some earlier cases in the context of copyright infringement); WIPO, *Intellectual Property on the Internet: A Survey of Issues* (WIPO 2002) para 310 (considering the issue an open question).

18 *Dow Jones & Company Inc v Gutnick* [2020] HCA 56, [200].

19 Cheickh Bangoura v The Washington Post [2005] O.J. No. 3849, [22].

20 See Code Penal, Art R645-1 (prohibiting insignias and emblems which "recall those used" by an organization declared illegal by Art. 9 of the Nuremberg Statute).

auction site in violation of French law.[21] With its decision, the French Court claimed 'universal competence' on internet infringing content. The court ordered Yahoo! Inc. to

> *take all necessary measures to dissuade and render impossible* any access via Yahoo.com to the Nazi artifact auction service and to any other site or service that may be construed as constituting an apology for Nazism or a contesting of Nazi crimes.[22]

The Paris Tribunal also clarified that access should have been rendered impossible *from the French territory*.[23] After the court order, Yahoo!, *inter alia*, adopted a new policy prohibiting auction of items or classified advertisement on Yahoo.com 'to offer or trade in items that are associated with or could be used to promote or glorify groups that are known principally for hateful and violent positions directed at others based on race or similar factors'.[24] Yahoo! actually claimed that the new policy was not adopted in response to the French court's orders, but rather for independent reasons.[25]

Meanwhile, however, Yahoo! filed a complaint before a California District Court seeking a declaratory judgment that the French court decisions were neither recognizable nor enforceable under the laws of the United States.[26] It argued that the ban would infringe on its First Amendment Rights.[27] The court established personal jurisdiction over LICRA and UEJF and granted the request.[28] Enforcement of the French decision was refused on the ground that principles of comity are limited in cases of freedom of speech and the decision is in violation of Yahoo!'s First Amendment rights.[29]

LICRA and UEJF appealed this decision before the US Court of Appeals for the Ninth Circuit. The court issued a split-decision reversing the District Court decision and remanding the matter with directions to dismiss the action. The Ninth Circuit assumed that it was not true that the interim French court's orders required Yahoo! to block access to users in the United States.[30] According to the Ninth Circuit, the French courts' orders required only that Yahoo! restricted access by users in France.[31] Yahoo!, instead, argued that full compliance with the French court order might imply to restrict access also to users in the US in order to restrict access to users in France. The term of the dispute lies on the fact that absolute compliance with the French order of blocking access to users in France would only be possible by restricting also access to users in the US because, although the application of geo-blocking allowed Yahoo! to comply 'in large measure' with the order (up to 70–90%),[32] French users could still circumvent geo-blocking from the French territory by using technical tools, such as VPNs. Therefore, Yahoo! insisted that it continued to be in serious violation of the

21 Tribunal de grande instance [High Court] (TGI) Paris *La Ligue Contre Le Racisme et L'antisemitisme; L'Union Des Etudiants Juifs De France v Yahoo! Inc.* [22 May 2000] (Fr).
22 Ibid.
23 Ibid.
24 *Yahoo! Inc v La Ligue Contre Le Racisme et L'antisemitisme; L'Union Des Etudiants Juifs De France*, 433 F.3d 1199, 1205 (9th Cir. 2006) (US).
25 Ibid.
26 *Yahoo! Inc. v La Ligue Contre Le Racisme et L'antisemitisme; L'Union Des Etudiants Juifs De France*, 169 F. Supp. 2d 1181, 1184–85 (ND Cal 2001) (US).
27 Ibid., 1185.
28 Ibid., 1180.
29 Ibid., 1192–1193.
30 Ibid., 1222.
31 Ibid.
32 Ibid., 1215.

orders and the French courts could have sought further compliance that could then lead to restrict access to users also in the US. Such a request of further compliance by French courts would have been repugnant to US public policy and unconstitutional for violation of the First Amendment.[33] The Ninth Circuit rejected this argument and concluded that, because Yahoo! has complied in 'large measure' with the French court order, any further requests of compliance, although possible was at that point highly speculative, thus the compliance so far requested was not violating US law.[34] However, the Ninth Circuit also admitted 'if a necessary consequence of compliance with the French court's orders were a restriction on access by American users, this would be a different and much easier case'.[35] All in all, the Ninth Circuit seems to believe that, as the record was 'inadequate, incomplete or unclear', it was best not to rush to decide issues arising out of international Internet use, which—at that point—were 'new, important and difficult'. Today, 20 years later, this is actually still the case.

Global enforcement: an international trend?

The 2000 hate speech and Nazi memorabilia case showed the world that internet jurisdiction could become an unsolvable puzzle. For a couple of decades, though, courts decided to stir away from the controversy. However, the kraken that can destroy the internet[36]—or at least balkanize it—has been recently reawaken. Decisions imposing extraterritorial effects on intermediaries' obligations have increasingly appeared in multiple jurisdictions.

Equustek Solutions Inc v Google has revamped the debate on global enforcement of online platforms obligations.[37] Equustek, a Canadian Company filed a suit for de-indexing of search results of Datalink over alleged IP infringement. The Court of first instance issued an injunction in favor of Equustek. Google removed the website only from the Canadian version of Google Search and refused a global removal. The Court of first instance reaffirmed its global takedown order,[38] which was upheld by the British Columbia Court of Appeal.[39] The Court of Appeal noted that, although orders with an extraterritorial effect are controversial, they are not perceived by international courts as contrary to interests of comity.[40] Should any issues concerning comity arise, the Court of Appeal emphasized that an application to vary the order can be made.[41] The Supreme Court of Canada allowed leave to appeal and upheld the worldwide injunction order.[42] In a 7:2 decision, the court held that since the internet has no borders, the only way to prevent harm to Equustek was to apply the injunction globally.[43] Majority of Datalink's sales take place outside Canada. Not issuing a global order would

33 Ibid., 1217, 1221–1222.
34 Ibid., 1221, 1223.
35 Ibid., 1222.
36 See Cf Dan Svantesson, 'Limitless Borderless Forgetfulness? Limiting the Geographical Reach of the "Right to be Forgotten"' (2015) 2(2) *Oslo L Rev* 116–38, 116 (arguing that Global blocking based on local laws will lead to destruction of the internet).
37 See for a commentary, Michael Geist, 'The Equustek Effect: A Canadian Perspective on Global Takedown Orders in the Age of the Internet' in Giancarlo Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (OUP 2020) 709–726; Robert Diab, 'Search Engines and Global Takedown Orders: Google v Equustek and the Future of Free Speech Online' (2020) *Osgoode Hall L J* 56(2) 231.
38 *Equustek Solutions Inc. v Jack* [2014] BCSC 1063, [159] (Can.).
39 *Equustek Solutions Inc. v Google* [2015] BCCA 265 (Can.).
40 Ibid. [88].
41 Ibid. [107].
42 *Equustek Solutions Inc. v Google* [2017] SCC 34 (Can.) [hereafter '*Equustek* 2017'].
43 Ibid. [41].

facilitate Datalink's breach of court orders and would be insufficient to protect Equustek from irreparable harm.[44] The injunction does not impose any monitoring obligations on Google, is not a significant expense and alteration of search results is a minor inconvenience to the search engine.[45] The court stated that the order could be modified by the British Columbia courts if Google brought evidence to show that compliance with the injunction raised conflict of laws issues.[46] Google appeared before the U.S. District Court of Northern California which granted a temporary injunction blocking enforcement of the Canadian Supreme Court order.[47] Google returned thus before the British Columbian judiciary seeking modification to the global injunction. The Supreme Court of British Columbia, however, refused modification on the ground that the US decision merely establishes that no action can be taken against Google to enforce the injunction in US courts. It does not establish that a global takedown order violates American law.[48]

Shortly after *Equustek*, in *Nazerali v Mitchell*,[49] the Plaintiff filed a defamation suit against the Defendants, including Google. The Trial Court awarded damages and a permanent world-wide injunction, restricting the Defendants from publishing defamatory words against the Plaintiff.[50] The Defendant appealed the decision on numerous grounds, including the grant of a permanent worldwide injunction. The Court of Appeal upheld the injunction with newly established limits. Noting that the Supreme Court's decision in *Equustek* allowed Google the liberty to apply to vary the interlocutory order, the court held that similar liberty should be given to the Appellants in order to respect international comity.[51]

Again, Canadian courts confirmed global orders as an enforcement measure online in *AT v Globe24h.com*.[52] Globe24h is a Romanian website that re-publishes and re-indexes Canadian court and tribunal decisions. The Plaintiff alleged that a decision from the Alberta Labour Board, found on the Romanian website, was easily available on a Google Search and contained personal information that could affect his future employment opportunities. On request for removal, the Respondent asked the Plaintiff to pay a fee for removal and de-indexing from search engines. The Plaintiff filed a complaint under Personal Information Protection and Electronic Documents Act (PIPEDA), the legislation regulating the processing of personal data in Canada. The Federal Court ordered the Defendant to remove and prevent further republishing of the information, along with damages.[53] Acknowledging the extra-territorial effect of the decision, the court referred to the Court of Appeals' decision in *Equustek* to hold that once in personal jurisdiction over a person is established by a court, its effect on other jurisdictions does not bar the court from making the order.[54]

Meanwhile, Australian courts presented California-based Twitter Inc with a global order to block defamatory content.[55] The dispute involved a series of tweets which impersonated personnel of the Plaintiff Company, revealed confidential financial information and were

44 Ibid.
45 Ibid. [50].
46 Ibid. [46].
47 *Google LLC v Equustek Solutions Inc. et al.*, 13 (ND Cal. 2017).
48 *Equustek Solutions Inc. v Jack* [2018] BCSC 610, [22] (Can.).
49 [2018] BCCA 104 (Can.)
50 *Nazerali v. Mitchell*, 2016 BCSC 810 (Can.)
51 *Nazerali* (n 49) [106], [107], [108].
52 [2017] FC 114 (Can.).
53 Ibid. [19].
54 Ibid. [84].
55 *X. v. Twitter*, [2017] NSWSC 1300 (Aus.). See also Svantesson (n 5) 701–702.

increasingly bold and threatening. The Plaintiff requested Twitter to take necessary steps to prevent further publishing of such information but the response was unsatisfactory. Hence, the Plaintiff initiated proceedings seeking injunctive relief. An interlocutory injunction was passed which ordered Twitter to remove the Tweets and suspend the accounts of the user responsible for the previous Tweets.[56] The Supreme Court of New South Wales passed a final injunction against Twitter.[57] The injunction required Twitter to block and remove content posted by that user anywhere in the world,[58] remove the future postings of users responsible for the tweets in issue and prevent them from operating an account anywhere in the world.[59]

A court in Hong Kong also issued a global delisting order against Google. In *Dr. Yeung, Sau Shing Albert v Google Inc*,[60] the Plaintiff, the Chairman of Emperor Group in Hong Kong, initiated defamation proceedings against Google for autocomplete suggestions on Google Search that allegedly damaged his reputation. He prayed for an injunction against Google to prevent further distribution and for damages. The court of first instance admitted the suit, stated that it had jurisdiction over the US-based company and cited the *Costeja* decision[61] of the Court of Justice of the European Union (CJEU) and the interim injunction granted by the Court of first instance in the Canadian *Equustek* decision[62] to delete search results globally.[63] Google applied for a leave to appeal, which was allowed,[64] but later settled the matter out of court.[65]

A number of decisions from Indian courts have also decisively set the score in favor of global enforcement. In *Swami Ramdev & Anr v Facebook, Inc. & Ors*,[66] the Petitioner filed a suit for an injunction against Facebook, YouTube, Google, Twitter, and other online intermediaries for the global takedown of content that was allegedly discriminatory to the Petitioner. The content in question were videos that summarized contents of a book that was declared defamatory by the Court. The Delhi High Court allowed the application and asked the intermediaries to block and remove the content on a global basis. The decision was reached on the basis of interpretation of the Information Technology legislation of India which provides intermediaries with safe harbors.[67] The court said that intermediaries can be protected from liability only when they remove illegal information completely from computer resources, not limited to the systems located in India.[68] Indian courts are competent to pass global injunctions 'so long as either the uploading takes place from India or the information/data is located in India on a computer resource'.[69] Thus, for this content, the Court noted that merely geo-blocking would render the order ineffective as 'by geo-blocking and disabling

56 *X v. Y and Z*, [2017] NSWSC 1214 [29].
57 *X. v. Twitter*, [2017] NSWSC 1300 (Aus.).
58 Ibid. [20].
59 Ibid. [34].
60 [2014] 4 HKLRD 493 (HK).
61 C-131/12 *Google Spain SL and Google Inc. v Agencia Española de Protección de Datos (AEPD) and Mario Costeja González* [2014] EU:C:2014:317 (hereafter '*Google Spain*').
62 *Equustek* (n 38) [159] (Can.).
63 *Dr. Yeung* (n 60) [124]–[128].
64 *Dr. Yeung, Sau Shing Albert v. Google Inc* [2015] 1 HKLRD 26 (HK).
65 'Google Settles Hong Kong Defamation Law Suit in UK Jurisdiction' *(Internet & Jurisdiction Policy Network—I&J Retrospect Database*, November 2014) https://www.internetjurisdiction.net/publications/retrospect#eyJ0byI6IjIwMjAtMDUifQ== (last accessed 24 July 2020).
66 [2019] 178 DRJ 151 (India).
67 Information Technology Act 2000, as amended by the Information Technology (Amendment) Act 2008, s 79 (India).
68 Ibid. [72]–[85].
69 Ibid. [86].

access to viewers from India with the offending material continuing to reside in global platforms which users can gain entry into, access would not be fully disabled'.[70] Instead, for content uploaded outside India, the court directed geo-blocking within India.[71] Global injunctions and blocking orders across the world, particularly *Google v. Equustek II, Google v. CNIL and Eva Glawischnig-Piesczek v. Facebook*, were noted to come to the decision.[72] Presently, the matter is on appeal before the Supreme Court.

Further decisions from the Delhi High Court confirmed the viability of global orders. In *YouTube v Geeta Shroff*,[73] Ms Geeta Shroff commenced proceedings for the removal of an offensive post which allegedly damaged her reputation. The Trial Court passed an injunction in favor of Ms. Geeta Shroff which required YouTube to remove the content globally to restore the status quo ante.[74] Google appealed before the Delhi High Court on the ground that enforcement of the injunction was not possible for technological reasons and the court did not have jurisdiction on the matter since the content was uploaded from outside India. The court refused to accept these arguments. The content was uploaded from India and could be blocked or removed following the path by which it had been uploaded.[75] The global injunction issued by the Trial Court was not appealed.[76] In *Subodh Gupta v Herdscene & Ors*,[77] the plaintiff sought removal of allegedly defamatory posts (#MeToo allegations) against Instagram handle @herdsceneand, Instagram, Facebook, Google, and Google India. The court ordered a de-referencing from their domain and to block/ remove all posts related to the Plaintiff without any geographical limitation.[78]

In the United States, global orders have been routinely issued, although First Amendment concerns and policy implications—given the market dominance of US-based platforms—have often limited their reach. An example comes from *Cindy Lee Garcia v Google Inc* case. The Plaintiff had a cameo role in the film 'Desert Warrior'. The film did not come to fruition and her scenes were dubbed and used in a controversial film titled 'Innocence of Muslims'. She learnt of the use only after watching the film trailer uploaded by the creator. After receiving death threats for her role in it, she filed for a temporary restraining order against the creators, Google and others for removal of the work from the internet. She claimed the posting of the video infringed copyright in her performance. The district court treated the application as a motion for preliminary injunction and denied the motion.[79] A three judge panel of the Ninth Court of Appeals allowed the preliminary injunction and ordered for a global takedown order stating that the First Amendment does not protect copyright infringement.[80] This decision was overturned by the Ninth Circuit en banc.[81] The movie was

70 Ibid. [83]. See also ibid. [92] (where the Court specifically points at the fact that geoblocking leads to a limited, partial and toothless order as offending information would still reside on global platforms and would be accessible from India, 'not only through VPN and other mechanisms, but also by accessing the international websites of these platforms').

71 Ibid. [96].

72 Ibid. [60]–[71].

73 2018 SCC OnLine Del 9439 (India).

74 Additional District Court at Saket, *Geeta Shroff v. YouTube*, OS 25/2015, [9], [10] (India).

75 *YouTube* (n 74) [17] (India).

76 Ibid.

77 High Court of New Delhi at Delhi, *Subodh Gupta v Herdscene & Ors.* CS(OS) 483/2019 (India).

78 Ibid. [10].

79 *Garcia v. Nakoula*, No. 2:12-cv-08315, 2012 BL 334702, at 2 (US).

80 *Garcia v. Google, Inc.*, 766 F.3d 929, 939 (9th Cir. 2014), *amending* 743 F.3d 1258 (9th Cir. 2014) (US).

81 *Garcia v. Google, Inc.*, 786 F.3d 733, 739, 747 (9th Cir. 2015) (US).

considered to be of substantial political significance. A global takedown order on the basis of Garcia's doubtful copyright claim would stifle First Amendment values.[82]

A recent decision of the Supreme Court of California roughly confirmed the same approach. After the Court of Appeal ordered the global Internet removal of defamatory reviews that appeared on Yelp.com,[83] the California Supreme Court stated that Yelp was not required to comply with the removal order thanks to the safe harbor provided by Section 230 of the Communications Decency Act.[84] Apparently, however, little attention has been paid by the Californian courts to the international implications of the sought injunctive relief.[85] The matter was only decided on the basis of the applicability of the Section 230 safe harbors.

As this panoramic overview of international judicial decision shows, the major US-based online platforms—from Google, to Facebook, Instagram, and Yelp—have been subject to global takedown or delisting obligations. Notably, courts worldwide have cited each other in arguing in favor of global extra-territorial orders against online intermediaries. This might be telling of an emerging common judicial trend at the international level. The EU jurisprudence apparently aligns itself to the very same trend.

Global enforcement in the EU

The debate regarding global extraterritorial enforcement of rights online has recently hit the EU shore with full force. Two major cases have been decided by the CJEU against Google and Facebook, dealing, respectively, with the enforcement of privacy and personality rights. Although the CJEU has not undertaken any specific review of global IP enforcement yet, the conclusions so far endorsed by the CJEU seem consistent enough to provide a clear guidance for the potential global reach of enforcement of rights under the EU legal framework.

Before delving further in the discussion of the recent CJEU case law, it is worth mentioning that Article 18(1) of the E-commerce Directive instructs Member States to ensure availability of court actions against information society services' activities to terminate any alleged infringement and prevent further impairment of interest involved.[86] However, in consideration of Recital 41 which strives for a balance of different interests at stake, an injunction under Article 18(1) therein should not impose an '*excessive obligation*' on the host provider.[87] In addition, Recitals 58 and 60 of the E-commerce Directive clarify that, '[i]n order to allow the unhampered development of electronic commerce', EU rules and the measures 'must be clear and simple, predictable and consistent with the rules applicable at international level'.[88] Against this background, the CJEU has been considering the

82 Ibid., 747.

83 *Dawn Hassell and Hassell Law Group v Ava Bird*, 247 Cal.App.4th 1336 (2016).

84 *Dawn Hassell and Hassell Law Group v Ava Bird*, S235968 (Cal Supreme Ct, 2 July 2018).

85 See also Svantesson (n 5) 701.

86 Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the internal market [2000] OJ L 178, Art 18(1) (hereafter 'ECD'). See also Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society [2001] OJ L 167/10, Art 8(3); Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights [2004] OJ L 157/45, Art 11.

87 See C-18/18 *Eva Glawischnig-Piesczek v Facebook Ireland Limited* [2019] EU:C:2019:821 (hereafter '*Glawischnig-Piesczek*'), para 41.

88 ECD (n 87) Recital 60.

availability of global extra-territorial injunction in two recent case: *Google v. CNIL* and *Eva Glawischnig-Piesczek v. Facebook*.

C-507/17 Google v CNIL

In the EU, global extraterritorial enforcement recently made the headlines for the world-wide enforcement of the 'right to be forgotten'. In the aftermath of the *Costeja* decision,[89] the WP29 Guidelines noted that limiting delisting to EU domains cannot be considered a sufficient means to satisfactorily guarantee the rights of data subjects according to the ruling. In practice, 'this means that in any case de-listing should also be effective on all relevant. com domains'.[90] This statement finally became of practical relevance when the Commission Nationale de l'informatique et des Libertés (CNIL), the French data protection authority, raised the question of global enforcement of the right to be forgotten with Google.

As many other national data protection authorities in Europe, the CNIL supervises the application of the *Costeja* judgment in case of refusal by the search engines to carry out the requested delisting. In response to hundreds of individual complaints, the CNIL requested Google to delist search results in multiple occasions.[91] In all those instances, the CNIL expressly requested that the delisting had to be effective across the whole search engine, regardless of the domain extension through which the users access the information.[92] Finally, the CNIL imposed a fine on Google for non-compliance with a formal 2015 notice requiring Google to remove the link to web pages from all domain name extensions of the search engine when granting a de-referencing request by a natural person.[93]

The fine followed Google's refusal to comply with the formal notice. Actually, Google applied the delisting only to search results conducted on domain extensions within EU Member States. Infringing search results still remained accessible in the French territory from google.com and other non-European extensions.[94] Google also proposed to 'geo-block' results from an IP (Internet Protocol) address deemed to be located in the State of residence of the data subject regardless of the version of search engine used.[95] If a French resident successfully requested Google to remove a search result, the link would not be visible on any version of Google's website, including Google.com, when the search engine is accessed from France. Google will use the browser's IP address to determine users' location.

89 See *Google Spain* (n 61) (ruling that an internet search engine operator is responsible for processing personal data which appear on web pages published by third parties and protecting the right of a user to have his/her name dereferenced from links displayed on a search of the users' name by the right to privacy and protection of personal data). The same right is now protected under Art 17 of Regulation 2016/679/EU of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46 (General Data Protection Regulation) ('GDPR').

90 Article 29 Data Protection Working Party, 'Guidelines on the Implementation of the CJEU Judgment on Google Spain v. Costeja' (26 November 2014) 14/EN WP 225, 3 (emphasis added). See also Brendan Van Alsenoy and Marieke Koekkoek, 'Internet and Jurisdiction after *Google Spain*: The Extraterritorial reach of the "Right to be Delisted"' (2015) 5(2) *Int Data Privacy L* 105.

91 See 'CNIL Orders Google to Apply Delisting on All Domain Names of the Search Engine' (CNIL, 12 June 2015) <https://www.cnil.fr/fr/node/15790> (last accessed 24 July 2020).

92 Ibid.

93 Ibid.

94 Ibid.

95 Ibid.

CNIL deemed these measures insufficient and through an adjudication dated 10 March 2016, imposed on Google a penalty of EUR 100,000.[96] The CNIL Restricted Committee, noted that:

> the right to be delisted is derived from the right to privacy, which is a universally recognized fundamental right laid down in international human rights law. Only delisting on all of the search engine's extensions, regardless of the extension used or the geographic origin of the person performing the search, can effectively uphold this right. The solution that consists in varying the respect for people's rights on the basis of the geographic origin of those viewing the search results does not give people effective, full protection of their right to be delisted.[97]

According to the CNIL, a fundamental right—like the right to be forgotten in this instance—is absolute and French institutions must protect it insofar as the infringement of the right causes damages to French citizens. As the CNIL explains, contacts living outside Europe can still access the delisted search result linking to content that may infringe the privacy of the person concerned; contacts living in Europe and using a non-European search engine extension, such as '.com', with a non-French IP address can still access the delisted search result; finally, certain technical solutions can easily get around Google's filtering system by allowing Internet users to change the geographic origin of their IP address.[98]

Google sought annulment of CNIL's adjudication before the Conseil d'État. On the basis of Google's operations and procedure, the Conseil d'État noted that Google is subject to the Law of 6 January 1978, which transposes the Directive 1995/46/EC to the French legal system.[99] Since the matter involved an interpretation of EU law, the Conseil d'État referred the matter to the CJEU for a preliminary ruling on the following questions:

1 Can the 'right to de-referencing' be extended to all domain names used by the search engine so that the links do not appear even when a search is initiated outside the EU?
2 If not, is the right to de-referencing limited to removal of results in the domain name where the data subject resides or on all versions of the search engine within the Member States?
3 Does the 'right to de-referencing' require the search engine to geo-block search results on the basis of an IP address deemed to be located in the State of the data subjects' residence or more generally, from an IP address within the EU, regardless of domain name used to conduct the search?[100]

On the first question of extra-territorial application of a dereferencing request, the court noted that the globalized world and borderless internet provide sufficient justification for an EU-based

96 See CNIL Restricted Committee Decision no 2016-054 of 10 March 2016 <https://www.cnil.fr/sites/default/files/atoms/files/d2016-054_penalty_google.pdf> (last accessed 24 July 2020).
97 Ibid.
98 Ibid.
99 Loi n° 78-17, du 6 janvier 1978, relative à l'informatique, aux fichiers et aux libertés (Law No 78-17 of 6 January 1978 on information technology, data files and civil liberties) ("Law of 6 January 1978"). See also Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data [1995] OJ L 281/31.
100 C-507/17 *Google LLC v Commission nationale de l'informatique et des libertés (CNIL)*, Request for a preliminary ruling from the Conseil d'État (France) lodged on 21 August 2017.

obligation which mandates de-referencing on all versions of the search engine.[101] However, factors such as the varied global response to the right of de-referencing;[102] the application of principle of proportionality to the right to privacy;[103] and the balance of the conflicting rights of privacy, on the one hand, and freedom of information, on the other, make it difficult to implement such an obligation. Accordingly, the first question was answered in the negative.[104]

Moving to the second question, the court found that the right to de-referencing extends to all Member States. The regulatory framework empowers national supervisory authorities to apply a de-referencing decision to all searches conducted within the Union based on the data subject's name.[105] It is the duty of a search engine to take "sufficiently effective measures" that ensure protection of the requesting users' right to de-reference and prevent or discourage all internet users in Member States from gaining access to the links in question when a search is conducted on the requesting user's name.[106] In the present case, whether the measures taken by Google were sufficient or not was to be decided by the Conseil d'État. As discussed later, the Conseil d'État found geo-blocking measures to be sufficient.[107]

The Court concluded that, presently, EU law does not make it compulsory for search engines to de-reference on all versions of the search engine.[108] This is because of a number of factors. First, Article 17(3)(a) of the GDPR balances the right to privacy and freedom of information with respect to de-referencing within the EU but not outside. Second, the wording of Article 12(b) and subparagraph (a) of the first paragraph of Article 14 of Directive 95/46 or Article 17 of the GDPR do not make it "apparent" that the de-referencing obligation has an extra-territorial scope.[109] Third, the EU legislation does not provide cooperation instruments and mechanisms for de-referencing outside the EU.

However, an important observation of the court was that, although EU law presents no provision that requires global de-referencing, "it also does not prohibit such a practice".[110] This means that a national supervisory or judicial authority may still order the operator of a search engine to carry out a global de-referencing after assessing the right to privacy and right to freedom of information. With this caveat, the CJEU's final stance partially departed from Advocate General Szpunar's Opinion, warning against the unqualified application of worldwide delisting and blocking orders.[111] Svantesson shares similar critical views against the availability of worldwide measures.[112]

101 C-507/17 *Google LLC v Commission nationale de l'informatique et des libertés (CNIL)* [2019] ECLI:EU:C:2019:772 (hereafter 'CNIL'), para 57. See also, for a recent commentary, Monika Zalnieriute, 'Google LLC v. Commission Nationale de l'informatique et des Libertés (CNIL)' [2020] 114(2) *American J of Int L* 261.

102 CNIL (n 102). para 59.

103 Ibid., para 60.

104 Ibid., para 65.

105 Ibid., paras 67–69.

106 Ibid., para 70.

107 See Conseil d'etat [Council of State] no 399922 [27 March 2020] (Fr.) <https://www.cnil.fr/sites/default/files/atoms/files/decision_du_conseil_detat_-_dereferencement_-_27_mars_2020.pdf> (last accessed 24 July 2020).

108 CNIL (n 102) para 64.

109 Ibid., para 62.

110 Ibid., para 72 (emphasis added).

111 C-507/17, *Google LLC v Commission nationale de l'informatique et des libertés* (CNIL) ECLI:EU:C:2019:15, Opinion of AG Szpunar, para 36. See also Daphne Keller, '*Dolphins in the Net: Internet Content Filters and the Advocate General's Glawischnig-Piesczek v Facebook Ireland Opinion*' (Stanford Center for Internet and Society, 4 September 2019).

112 See Svantesson (n 36) 129–131 (noting that the objective of 'right to be forgotten' delisting requests, as clarified in the *Google Spain case*, is a 'first impression protection' not an 'absolute protection'; accordingly, an

C-18/18 Glawischnig-Piesczek v Facebook

In a later case brought against Facebook, the CJEU apparently confirmed and further clarified the conclusions of *Google v CNIL*.[113] The applicant, Ms Eva Glawischnig-Piesczek, a former Austrian Parliamentarian, sought an injunction against Facebook Ireland Ltd.[114] The dispute arose due to an article shared by an anonymous Facebook user on 3 April 2016.[115] The article was shared by the user on their personal page.[116] It had the effect of generating a thumbnail of the original website, containing the title and brief summary of the article along with a picture of the applicant.[117] The user published along with the article a comment eventually found to be harmful, insulting and defamatory to the reputation of the applicant by the Austrian Supreme Court.[118] Through a letter dated 7 July 2016, the applicant requested Facebook to delete the comment. Since Facebook did not withdraw the comment, the applicant sought an injunction and the case reached the Austrian Supreme Court. Briefly, the questions before the Supreme Court were:

1 Whether an injunction prohibiting a host provider from hosting illegal information can be extended to identically worded information or information with equivalent meaning under Article 15 of the E-commerce Directive.
2 Whether the injunction can apply worldwide.

Since the matter involved interpretation of EU law, the Supreme Court stayed the proceedings and referred the matter to the CJEU for a preliminary ruling. The CJEU answered the first question in the positive and found justified the injunction granted by the Austrian Commercial Court and Appellate Court. Facebook was to block and remove identical content and content with equivalent meaning.[119] On the question of territorial application of the injunction, which is of interest to our present analysis, the Court said that the injunction can have a worldwide effect. According to the CJEU, Article 18(1) of Directive 2000/31/EC does not provide any limitation on the scope of measures that the Member States can adopt. They have been given broad discretion to implement necessary measures[120] which includes extending the territorial scope of the injunction worldwide. While doing so, in consideration of Recitals 58 and 60 of the E-commerce directive, the measures should be consistent with relevant international law.[121] By contrast to *Google v CNIL*, the CJEU did not provide any instructions on how the balancing should be done, nor any express recognition that the balance between privacy and personality rights and freedom of expression differs between territories.

absolute implementation in geographical sense is not necessary and the objective can be achieved by delisting in the EU domain); Dan Svantesson, 'The Google Spain Case: Part of A Harmful Trend of Jurisdictional Overreach', EUI Working Paper RSCAS 2015/45 (2015).

113 See *Glawischnig-Piesczek* (n 88).

114 Ibid., para 10.

115 Ibid., para 12.

116 Ibid.

117 Ibid.

118 Ibid.

119 See Keller (n 112) (analyzing this aspect of the judgment).

120 See *Glawischnig-Piesczek* (n 88) para 29.

121 Ibid., paras 48–52. See also Dan Svantesson, 'Scope of Jurisdiction Online and the Importance of Messaging – Lessons from Australia and the EU' (2020) 38 Computer L. & Security Rev. 105428 <https://doi.org/10.1016/j.clsr.2020.105428>.

As per the content of the—potentially worldwide—injunction, *Glawischnig-Piesczek* concludes that the obligation of blocking court-assessed illegal information can extend to identical and equivalent information, while still being consistent with Article 14(1).[122] In a recent Opinion, AG Saugmandsgaard Øe has referred to *Glawischnig-Piesczek* in discussing the conditions to be met to apply for an injunction against an intermediary for copyright infringement under Article 8(3) of Directive 2001/29.[123] The AG confirmed compliance with EU law of blocking "a *specific file* that uses a protected work that has been held to be illegal by a court", identical and equivalent files, which would be using "the protected work in the same manner".[124] Accordingly, Article 15(1) does not prohibit blocking orders and 'stay down' obligations against intermediaries.[125] It does however require the injunctions to be proportionate.[126] In this context, proportionality would imply that the resources of the provider must be taken into account, especially in light of the complexity of detecting equivalent files that use the work in the same way.[127] Also, AG Saugmandsgaard continued, an obligation to block cannot 'prevent users of a platform from uploading legal content and, in particular, legally using the work concerned'.[128] This might imply that, upon national courts' determination, worldwide blocking orders affecting users' right in that fashion cannot be reasonably expected by a provider. Therefore, whenever, the worldwide blocking or takedown prevents users to upload or use content that is legal in their jurisdiction, that obligation would be unreasonable. Similarly, worldwide blocking and take down of equivalent content seems equally unreasonable according to the AG's reasoning, given the enormous transaction costs involved with identifying whether an infringement is equivalent in each jurisdiction worldwide. In contrast, taking down or blocking access worldwide to identical mechanical reproductions of a protected work—which is a blatant infringement according to international copyright norms—might be reasonably expected by a provider, if national courts order so, having considered international norms and comity principles.

A Pilate's decision?

The CJEU concluded that EU law does not impose or preclude worldwide measures.[129] Instead, it is up to national courts to decide whether extraterritorial delisting should be imposed according to their own balancing of fundamental rights and application of international norms.[130] Some commentators argued that 'this was no more than a decision about the dividing line between EU law and national law' and that the CJEU 'determined that in this case the question of territoriality was outside the scope of EU

122 See *Glawischnig-Piesczek* (n 88) para 33–47.

123 Joined Cases C-682/18 and C-683/18, Frank Peterson v Google LLC, YouTube LLC, YouTube Inc., Google Germany GmbH (C-682/18) and Elsevier Inc. v Cyando AG (C-683/18), ECLI:EU:C:2020:586, Opinion of AG Saugmandsgaard Øe.

124 Ibid., para 221.

125 Ibid.

126 Ibid., para 222.

127 Ibid.

128 Ibid.

129 See *CNIL* (n 102) para 72; *Glawischnig-Piesczek* (n 88) paras 50–52.

130 Ibid.

law'.[131] There is a strong suspect that the recent CJEU decisions on territorial reach of injunctions against online intermediaries are more political than legal,[132] with the CJEU fast at dropping the hot potato on the Member States' table.

Meanwhile, national courts have already started applying the teachings of the CJEU, carefully avoiding further international conflicts. On 28 March 2020, the French *Conseil d'etat* ruled on the territorial scope of the right to dereference.[133] In furtherance of the CJEU's decision in *Google v CNIL*, Google applied to the *Conseil d'Etat* requesting a cancellation of CNIL's worldwide delisting order on the ground that a worldwide delisting can be ordered only after balancing the right to privacy and information case-by-case and not by a general reasoning in principle. In response, *CNIL* argued that the CJEU decision does not prohibit global dereferencing and geo-blocking as proposed by Google is insufficient to effectively protect personal data. The French court referred to the CJEU decision which limited the territorial scope of dereferencing within EU borders and required search engine's to employ measures which 'effectively prevent or seriously discourage' internet users of the Member States from accessing the dereferenced links. Effectiveness of measures implemented by the search engine operator could be assessed by national supervisory or judicial authorities such as CNIL. However, CNIL's request for a global delisting was an 'error of law' because the technical solution proposed by Google was sufficient to meet the protection requirement enshrined by the CJEU.[134] Although global delisting is not prohibited, since the French legislation does not provide for de-referencing across EU borders, CNIL can only order for delisting within EU.[135] Moreover, the Court noted that CNIL's order for global delisting was not based on a balancing of the right to privacy and the right to information.[136]

Austrian courts have also promptly applied the novel CJEU standards in *ORF/Facebook*.[137] ORF, an Austrian news broadcaster owned copyright to a picture which was modified, embedded in a photo montage and made available on Facebook. The modification included the addition of a statement alleging: 'There is a place where lies become news. This is the ORF' along with a picture of a well-known children's book figure

131 Graham Smith, 'Notice and Stay-down Orders and Impact on Online Platforms' (*Web Page*, October 2019) <https://www.twobirds.com/en/news/articles/2019/global/notice-and-stay-down-ordersand-impact-on-online-platforms#__prclt=pzS67trR> (last accessed 24 July 2020).

132 Cf Costanza Manavello and Laura Di Tecco, 'The Global Implications of the CJEU's Ruling in Google "Right to Be Forgotten" Case' (*IP Watchdog*, 16 October 2019) <https://www.ipwatchdog.com/2019/10/16/global-implications-cjeus-ruling-google-right-forgotten-case> (last accessed 24 July 2020) (noting that the decision to limit jurisdiction for de-listing to EU Member States is based on political rather than legal grounds and accounts for values of non-EU States and questioning whether a partial right to be forgotten can protect an individual's right to privacy considering the borderless nature of the internet given that the EU has the competence to impose on search engine operators a worldwide de-referencing obligation).

133 See Conseil d'etat [Council of State] no 399922 [27 March 2020] (Fr.) <https://www.cnil.fr/sites/default/files/atoms/files/decision_du_conseil_detat_-_dereferencement_-_27_mars_2020.pdf> (last accessed 24 July 2020).

134 Ibid., para 7.

135 Ibid., para 9.

136 Ibid., para 10.

137 OGH 30.03.2020, 4Ob36 / 20b (Austria) (hereafter '*ORF/Facebook*'). See also, Rainer Schultes, 'Austrian Supreme Court: Public National Broadcaster ORF/Facebook – First Follow Up Ruling after CJEU C18/18, Glawischnig/Facebook' (*Kluwer Copyright Blog*, 2 June 2020) http://copyrightblog.kluweriplaw.com/2020/06/02/austrian-supreme-court-public-national-broadcaster-orf-facebook-4ob36-20b (last accessed 24 July 2020).

Pinocchio. After repeated failed requests made to Facebook to delete the image, ORF sued the Defendant seeking an injunction to refrain Facebook from making the image available to the public without their consent. The Plaintiff alleged copyright infringement as well as defamation. The OGH upheld lower court decisions, clarifying that the geographical scope of the injunction was restricted to Austria. While the Plaintiff had not defined the scope of the requested injunction, the Defendant requested for the injunction to be limited within Austria based on considerations of sovereignty, comity and international human right norms.[138] The OGH referred to the CJEU decision in *Glawischnig-Piesczek v Facebook*.[139] However, it held that a copyright claim is territorially limited,[140] thus the Plaintiff can only claim injunctive relief in Austria.[141] Unlike IP right claims, the OGH also held that personality right claims are not geographically limited.[142] However, since the Plaintiff did not specify the scope for injunctive relief claimed under defamation law, it was presumed that the protection was only sought for Austria.[143] Hence, the OGH clarified that, in this case, injunctive relief only applied to Austria and Facebook could apply geo-blocking. While confirming the possibility of granting worldwide relief against the infringement of personality rights, it denied this for IP rights, upon explicit request from the plaintiff.[144]

It is apparent that the CJEU approach will sow multiple inconsistent standards at national level that might multiply according to the subject matter to be enforced, as the Austrian OGH's decision might show. By allowing Member States to decide individually the territorial scope of enforcement obligations, the CJEU has created the potential for different results based on where the requester resides. This could also lead to forum shopping.[145] Injured parties will be incentivized to seek injunctions from jurisdictions in the EU that provide global relief, while online platforms might decide to establish themselves only in jurisdictions that endorse the opposite approach. If this is the case, we might soon witness a race to the bottom in enforcing individual rights with multiple jurisdictions carefully avoiding global enforcement orders. If, on one side, unrestrained global reach might offer better protection of individual rights, on the other side, 'if regulatory divergences remain and different jurisdictions advance claims for the global application of conflicting local laws, businesses may prove unable to comply with all regulatory regimes and the threat of sanctions may ultimately undermine their ability to offer their services across multiple jurisdictions'.[146] These jurisdictions might finally consider this latter scenario the worst of two evils and back away from providing fully effective protection to injured parties.

138 *ORF/Facebook* (n 138) para 5.

139 Ibid., para 5.1.

140 IP rights are territorial, meaning that those rights are governed by the law of the country that granted them and their protection does not reach beyond that place. See Jürgen Basedow, 'Foundations of Private International Law in Intellectual Property' in Jürgen Basedow, Toshiyuki Kono and Axel Metzger (eds), *Intellectual Property in the Global Arena* (Mohr Siebeck 2010) 28. Of course, IP rights can reach extraterritorially thanks to international and regional agreements.

141 *ORF/Facebook* (n 138) para 5.3 citing, for the application of the principle of territoriality to IP rights under EU law, C-170/12 *Pinckney v KDG Mediatech* [2013] ECLI:EU:C:2013:635 and C-192/04 *Lagardère Active Broadcast v SPRE and GVL* [2004] ECLI:EU:C:2005:475.

142 *ORF/Facebook* (n 138) para 5.4.

143 Ibid., para 5.5.

144 Ibid.

145 Diab (n 37) 258.

146 See Alberto Miglio, 'Enforcing the Right to Be Forgotten Beyond EU Borders' in Elena Carpanelli and Nicole Lazzerini (eds) *Use and Misuse of New Technologies* (Springer, Cham 2019) 324.

In the context of the EU Commission's Digital Single Market Strategy, and the proposed Digital Service Act Package, in particular,[147] the question of global extraterritorial enforcement of injunctions against online intermediaries should be addressed from a broad harmonizing perspective. This should be done through a balanced approach that considers the conflicting interests of the rightholders and intermediaries, with special emphasis on the cost of injunctions for rightholders and the impact of the injunction on the online intermediaries' operations.[148]

Global or local enforcement?

The global extraterritorial enforcement of rights online has emerged as a thorny issue, whose solution seems nowhere to be found. It is a problem inherent with acting on search engines to block access to content online, which makes impossible to obtain perfect enforcement. As Professor Floridi puts it,

> Yet I fear that, in an infosphere that does not know geographical boundaries, acting on search engines to block access to contents is never going to be the ultimate solution. If some content is harmful, it should be blocked at the source, for any search engine, anywhere, or removed completely, as we do with child pornography.[149]

Enforcing rights against online intermediaries is a sub-optimal solution, although economies of scale and cost-benefit analysis strongly support it. In particular, acting against online intermediaries might bring about often insurmountable territoriality issues given the globalized nature of the online service providers upon which enforcement obligations are imposed. Recent CJEU case law can be read as saying basically the same thing: EU law does not impose nor preclude worldwide measures. It is up to national courts to decide so according to their own balancing of fundamental rights and application of international norms.[150] This is apparently an obvious conclusion from an EU law standpoint. Final case-by-case

147 See European Commission, 'The Digital Services Act Package' <https://ec.europa.eu/digital-single-market/en/digital-services-act-package> (last accessed 24 July 2020).

148 Cf Eleonora Rosati, 'Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More?' (2017) 14 *JIPLP* 338, 349–350.

149 Luciano Floridi, 'We Dislike the Truth and Love to be Fooled (Luciano Floridi)' (*Cyceon*, 21 November 2016) https://cyceon.com/2016/11/21/luciano-floridi-oxford-uk-google-interview (last accessed 24 July 2020).

150 This construction of the CJEU case law seems quite widespread. See, e.g., Elda Brogi and Marta Maroni, 'Eva Glawischnig-Piesczek v Facebook Ireland Limited: A New Layer of Neutrality' (*CMPF*, 17 October 2019) <https://cmpf.eui.eu/eva-glawischnig-piesczek-v-facebook-ireland-limited-a-new-layer-of-neutrality> (last accessed 24 July 2020); Jennifer Daskal, 'Speech Across Borders' (2019) 105 *Va L Rev* 1605, 1622, 1627; Giovanni de Gregorio, 'Google v. CNIL and Glawischnig-Piesczek v. Facebook: Content and Data in the Algorithmic Society' (*MediaLaws*, 16 March 2020) <http://www.medialaws.eu/rivista/google-v-cnil-and-glawischnig-piesczek-v-facebook-content-and-data-in-the-algorithmic-society> (last accessed 24 July 2020); Cathyrn Hopkins, 'Territorial Scope in Recent CJEU Cases: Google v CNIL / Glawischnig-Piesczek v Facebook' (*Inforrm's Blog*, 9 November 2019) <https://inforrm.org/2019/11/09/territorial-scope-in-recent-cjeu-cases-google-v-cnil-glawischnig-piesczek-v-facebook-cathryn-hopkins> (last accessed 24 July 2020); Andrej Savin, 'The CJEU Facebook Judgment on Filtering with Global Effect: Clarifying Some Misunderstandings' (*EU Internet Law & Policy Blog*, 4 October 2019) <https://euinternetpolicy.wordpress.com/2019/10/04/the-cjeu-facebook-judgment-on-filtering-with-global-effect-clarifying-some-misunderstandings> (last accessed 24 July 2020); Lorna Woods, 'Facebook's Liability for Defamatory Posts: The CJEU Interprets the e-commerce Directive' (*EU Law Analysis*, 7 October 2019) <http://eulawanalysis.blogspot.com/2019/10/facebooks-liability-for-defamatory.html> (last accessed 24 July 2020).

balancing of rights is a prerogative of national courts, rather than the CJEU. Although the CJEU does not clarify the scope of international law to which injunctions issued by Member States may be subject, it is most likely referring to comity. If the CJEU was indeed referring to comity, States would not pass global injunction orders without balancing competing sovereign interests.

Limiting conflicts and promoting international coexistence

In an early piece, Johnson and Post refer emphatically, from a marked US perspective, to the 'First Amendment of cyberspace' as a central principle on which States should all agree that territorially local claims on content restriction online should be resisted.[151] This vision has proved to be extremely evocative and has been endorsed by many, although – as Andrew Kane Woods acutely pointed out – 'the cosmopolitan fantasy of a uniform internet […] was never realistic—*nor, for so many outside the U.S., desirable*'.[152] Of course, global enforcement creates conflicts between the law of the affected party and the law of the speaker. From the perspective of public international law, global delisting greatly interferes with territorial sovereignty of other (non-EU) states, the duty of comity, the principle of non-intervention along with the creator's right to communicate content and users right to access content.[153]

Concerns are real that such a global extraterritorial effect allows certain jurisdictions to erase information that they perceive as "irrelevant" or "illegitimate" based on their own set of values, while promoting one culture's value over other cultures' values.[154] As Svantesson argues, global enforcement can result in a restricted internet where users only have access to content that is lawful in all countries in the world.[155]

It is a severe claim that can be met by counter measures and is a 'backwards step in international legal cooperation'.[156] In this regard, the biggest challenge to internet jurisdiction is a 'view that the pursuit of the policies behind the substantive law (the goals) justify the stretching of jurisdictional rules (the means), both in the context of private and public international law'.[157] As Svantesson, claims:

> If all we wanted was to secure the greatest possible reach of our substantive laws, we would hardly need any sophisticated private international law rules. We would merely proclaim that our laws always apply, that our courts always can claim jurisdiction, and that our court orders must be enforced all over the world.[158]

151 Johnson and Post (n 16) 1391–1395.

152 Andrew Keane Woods, 'The CJEU Facebook Ruling: How Bad Is It, Really?' (*Lawfare*, 4 October 2019) <https://www.lawfareblog.com/cjeu-facebook-ruling-how-bad-it-really> (last accessed 24 July 2020) (emphasis added).

153 See Van Alsenoy and Koekkoek (n 91) 117–118; Svantesson (n 13) 153–154.

154 See Eloïse Gratton and Jules Polonetsky, 'Droit A'L'Oubli: Canadian Perspective on the Global 'Right to be Forgotten Debate' (2017) 15 *Colo Tech L J* 337, 341–342.

155 Svantesson (n 3) 66; Svantesson (n 13) 153–154.

156 Svantesson (n 3) 66.

157 Svantesson, 'Jurisdictional Issues and the Internet' (n 16) 717.

158 Svantesson (n 5) 703–704.

Instead, jurisdictional rules are aimed at reaching a peaceful co-existence.[159] Disregarding these private international rules, Svantesson concludes, would be "destructive and utterly misguided" and is not recommended.[160]

A subject matter specific balanced approach

While global scope of jurisdiction cannot be the default approach, it is necessary in some circumstances. Given the multiple competing interests at stake, global takedowns or delisting can, at times, be a critical means of protecting key interests. This said, the risk of over-censorship and forced uniformity can be dire enough to suggest extreme caution in deploying global measures.[161] Andrew Kane Woods makes a compelling argument, concluding that the apprehension against global injunctions is misplaced if the injunction is issued after considering the competing sovereign values.[162] In this respect, '[t]he history of extraterritorial, even global, orders is long. The internet will not stop these orders; to the contrary, it might call for more of them'.[163] Woods continues by noting that:

> no principle of sovereign deference per se prohibits global injunctions, global takedown requests, or other forms of extraterritorial exercises of jurisdiction over the cloud. Instead, comity principles sometimes call for deference to and even enforcement of cross-border legal orders.[164]

Although courts have the power to issue extraterritorial injunctions, multiple authors hold the view that it must be exercised cautiously and such injunctions should be granted only as a last resort.[165] Douglas, for example, argues that courts should exercise self-restraint based on the principle of equity, applying comity and utilitarian considerations of the state of the internet if the content accessible was limited to that which was lawful among all nations.[166] In particular, the scope of jurisdiction should be 'context-dependent'.[167] Whether extraterritorial effect of territorial rule making is favorable or not depends on the subject matter

159 Cf, arguing that territorially based conceptions of legal jurisdiction may no longer be adequate and pleading instead for a cosmopolitan pluralist conception of jurisdiction where governments have an important long-term interest in being cooperative members of an international system and sharing in its reciprocal benefits and burdens, Paul Schiff Berman, 'Towards a Cosmopolitan Vision of Conflict of Laws: Redefining Governmental Interests in a Global Era' (2005) 153 *U Pa L Rev* 1819; Paul Schiff Berman, 'The Globalization of Jurisdiction' (2002) 151 U Pa L Rev 311. See also Dan Svantesson, '"Lagom jurisdiction"—What Viking Drinking Etiquette Can Teach us about Internet Jurisdiction and Google France' (2018) 12(1) *Masaryk U J L Tech* 29–47 (proposing to apply the Swedish 'lagom doctrine' to approach the issue of internet jurisdiction; accordingly, states should make jurisdictional claims that are 'just right', neither excessive nor declining jurisdiction so as to not offend the dignity of other states).

160 Svantesson, 'Jurisdictional Issues and the Internet' (n 16) 717.

161 Daskal (n 151) 1605.

162 Andrew Keane Woods, 'Litigating Data Sovereignty' (2018) 128 *Yale L J* 328.

163 Andrew Keane Woods, 'Three Things to Remember from Europe's "Right to Be Forgotten" Decisions' (*Lawfare*, 1 October 2019) <https://www.lawfareblog.com/three-things-remember-europes-right-be-forgotten-decisions> (last accessed 24 July 2020).

164 Woods (n 163) 335.

165 See eg Diab (n 37) 268; Douglas (n 3) 34; Svantesson (n 3) 71; Van Alsenoy and Koekkoek (n 91) 115–120.

166 Douglas (n 3) 48–57.

167 Svantesson (n 3) 71. See also Van Alsenoy and Koekkoek (n 91) 115–120; Daskal, 'Borders and Bits' (n 16) 232–235.

being regulated. It can be beneficial—leading to harmonized practices across borders—and also harmful—causing a clash of norms and values.[168] As Daskal puts it:

> More broadly, there is a range of speech that just about everyone agrees is harmful and should be kept out of the public sphere—for example, child pornography, or bullying, appropriately defined. Takedowns based on copyright infringements run into the millions per year—implemented across all of Google, Facebook, and other providers on a global scale. And while there are legitimate concerns about inaccurate or bad faith removal demands, there also is relatively widespread agreement that certain takedowns, properly identified and scoped, are appropriate—and the only way to adequately protect key security, privacy, and intellectual property interests at stake.[169]

Global copyright enforcement happens massively across all online platforms through private enforcement with little accountability and no judicial review. Internet service providers take down infringing copyright material from all domain names at a greater magnitude than delinking associated to the right to be forgotten. In a month, Google removes tens of millions of URLs that allegedly infringe copyright, while delisted 1.5 million URLs violating the right to be forgotten since 2014.[170] As Daskal notes, global copyright enforcement would apparently be less of an issue when compared with the right to be forgotten because, first, most companies applying the copyright laws are US-based and, second, there is international consensus on what constitutes copyright infringement.[171]

Given that extraterritorial orders should be the exception not the rule, tests have been proposed for defining when global enforcement might occur. Van Alsenoy and Koekkoek argued that the 'effective protection' principle offers prima facie support for the claim that European authorities can also require delisting on a global scale.[172] The *Google Spain* ruling seems to endorse this principle when noting, *inter alia*, that 'escaping the obligations and guarantees laid down by EU law would compromise the 'effectiveness and effective and complete protection of fundamental rights and freedoms of natural persons which the [EU law] seeks to ensure'.[173] This interpretation would be in line with the International Covenant on Civil and Political Rights that provide "an effective remedy" to any person whose rights and freedoms are violated.[174]

Traditional principles used for establishing extraterritorial jurisdiction[175] can support global enforcement and equally help provide effective protection. First, according to the nationality principle, States can claim jurisdiction over offences to their nationals committed abroad.[176] Again, according to the effects theory, a State can exercise its jurisdiction in

168 Ibid. 232–235.
169 Daskal (n 151) 1635.
170 Google Transparency Report <https://transparencyreport.google.com> (last accessed 24 July 2020).
171 Daskal, 'Borders and Bits' (n 16) 216–218.
172 See Van Alsenoy and Koekkoek (n 91) 118.
173 *Google Spain* (n 61) para 58.
174 The International Covenant on Civil and Political Rights, G.A. Res. 2200A (XXI) Arts. 3, 17 (16 December 1966).
175 See, e.g., Polcak and Svantesson (n 4) para 3.4–3.6.
176 Elena Perotti, *Right to Be Forgotten: The European Ruling and Its Extra-EU Implementation* (WAN-INFRA 2016) 28–35.

its own territory over a foreign national for conducts that took place abroad and produce effects within its territory.[177] The 'nationality principle' is the only one that guarantees the fundamental rights of a national according to the balancing done by his or her own courts. The CJEU cannot avoid concluding that there are no supporting arguments for precluding a national court from issuing worldwide enforcement if only such a measure can guarantee the necessary redress to its own citizens under the court's constitutional framework. If international law allows it, a national court finding that the fundamental rights of its nationals have been infringed must impose measures that provide global redress. Otherwise, a national has no fully effective redress for infringement of its fundamental rights occurring on gTLD internet domains. Only this approach fully safeguards individual fundamental rights from the perspective of national courts.

In assessing whether a domain-based approach, geo-filtering approach or global implementation approach is applied, the jurisdictional principle of 'reasonableness' can be useful.[178] This principle requires states to balance their policy objectives with the principle of non-interference with other states, meaning that 'States should weigh the realization of their policy objectives against the risk of undue interference with the national legislation of other States'. However, 'reasonableness' might be an amorphous concept that leads to biased decisions and undermines legal certainty and predictability. Therefore, as Van Alsenoy and Koekkoek conclude, any potential extraterritorial enforcement should be better implemented using the concept of 'interest balancing' to determine whether sufficient grounds warrant extraterritorial jurisdiction.[179] Factors such as interest of other States in the content, harmonization among States on the norm to be enforced, presence of connecting factors to the territory of the forum state and likelihood of adverse impact if delisting is confined to local search results are relevant.[180] In conclusion, the legitimacy of global orders depends on the facts of the case.

Conclusions

The CJEU's conclusions in *CNIL* and *Glawischnig-Piesczek* fit well with the reality that international law on sovereignty and jurisdiction is a grey-zone populated by conflicting legal rules and principles, where political considerations might overshadow legal analysis. By the spirit of the judgments, EU-wide enforcement is apparently the default choice and global enforcement is possible only in exceptional cases. Limiting the scope to EU-wide enforcement is an attempt by the CJEU—and the first national courts that applied CJEU's recent jurisprudence—to grant the highest level of protection possible while respecting interests of other states, thereby avoiding international tension.[181] Although

177 *See* SS Lotus (France v. Turkey), 1927 P.C.I.J. (ser. A) No. 10 (Sept. 7, 1927), at 19.

178 Ibid.

179 Ibid., 119.

180 Ibid., 119–120. See also Diab (n 37) 268 (proposing an equitable test for extraterritorial enforcements based on the need to establish necessity and proportionality: an extra-territorial or global order 'would be necessary only if a form of direct relief against the defendant or the source of harm at issue would not be comparably effective', while '[t]he order would be proportionate only if its scope constitutes the least intrusive means of addressing the harm at issue in terms of the content restricted, the duration of the order, and its geographic scope').

181 See Jure Globocnik, 'The Right to be Forgotten is Taking Shape: CJEU Judgments in GC and Others (C-136/17) and Google v CNIL (C-507/17)' (2020) 69(4) *GRUR Int* 380.

the complexity and sensitivity of the internet jurisdiction conundrum justifies this caution, lack of a firm stance by the EU naturally leads to regulatory fragmentation, which negatively impacts both users' rights and business interests. This becomes quite apparent when considering the recent Austrian OHB's *ORF/Facebook* decision that seems to imply that because of the application of the principle of territoriality, global copyright enforcement would not be available. Instead, both the Canadian Supreme Court and the Court of Appeal in the *Equustek* judgments used the fact that most countries will recognize IP rights and selling of pirated products as a legal wrong to justify the global injunction.[182] Actually, global copyright enforcement is customarily applied by platforms on a voluntary basis mostly under the assumption that there are uniform copyright laws across most nations as signatories of the Berne Convention.

In any event, despite CJEU's wavering, global blocking, takedown, and delisting orders have been routinely implemented in multiple jurisdictions—and they are viable options for EU Member States as well. Global extra-territorial enforcement is telling of a disconnection between physical and digital governance of information and content that will hardly go away, at least for some time. Bertrand de la Chapelle and Paul Fehlinger noted that 'extraterritorial extension of national jurisdiction is becoming the realpolitik of Internet regulation'.[183] Conflicts between jurisdictions online increase steadily, challenging the Westphalian international system.[184] Meanwhile, platforms are operating as privately owned bureaucracies charged with overseeing and implementing complex statutory and constitutional schemes.[185] The effect of conflicting values among nations results in increasing power to multinational corporations which mediate disputes on a global scale with governments seeking to harness this power and broad implications for individual rights.[186] The route to pursue would be that of an international agreement on the matter.[187] Unfortunately, there is no consensus on sight. Perhaps, the emerging tension might serve as a shock therapy to heal this stalemate and convince international parties to come together and agree on common rules over internet jurisdiction. Often only a 'wind of creative destruction' can tear down the old and build up the new.[188]

182 *Equustek* 2017 (n 42) para 44.

183 Bertrand de la Chapelle and Paul Fehlinger, 'Jurisdiction on the Internet: from Legal Arms Race to Transnational Cooperation' in Giancarlo Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (OUP 2020) 733.

184 ibid 729. See also Scassa and Currie (n 11) 1018.

185 See Hannah Bloch-Wehba, 'Global Platform Governance: Private Power in the Shadow of the State' (2019) 72 *SMU L Rev* 27.

186 Daskal, 'Borders and Bits' (n 16) 232–235; Daskal (n 151) 1605.

187 See Felicity Gerry QC and Nadya Berova, 'The Rule of Law Online: Treating Data Like the Sale of Goods: Lessons for the Internet from OECD and CISG and Sacking Google as the Regulator' (2014) 30 *CLSR* 465, 475–476 (noting that extraterritorial orders will result in 'piecemeal judgements and knee jerk domestic legislation'. The internet is a global platform used by the global community for which local regulation is insufficient. A more functional approach would be to adopt a set of globally enforceable principles with an efficient system of scrutiny and appeal).

188 See Joseph Schumpeter, *Capitalism, Socialism, and Democracy* (Harper and Row 1975) (1942) 83.

References

Article 29 Data Protection Working Party, 'Guidelines on the Implementation of the CJEU Judgment on Google Spain v. Costeja' (26 November 2014) 14/EN WP 225.

Basedow, Jürgen, 'Foundations of Private International Law in Intellectual Property' in Jürgen Basedow, Toshiyuki Kono and Axel Metzger (eds), *Intellectual Property in the Global Arena* (Mohr Siebeck 2010).

Bookman, Pamela, 'Litigation Isolationism' (2015) 67 *Stan L Rev* 1081.

Brogi, Elda and Marta Maroni, 'Eva Glawischnig-Piesczek v Facebook Ireland Limited: A New Layer of Neutrality' (*CMPF*, 17 October 2019) <https://cmpf.eui.eu/eva-glawischnig-piesczek-v-facebook-ireland-limited-a-new-layer-of-neutrality> (last accessed 24 July 2020).

'CNIL Orders Google to Apply Delisting on All Domain Names of the Search Engine' (CNIL, 12 June 2015) <https://www.cnil.fr/fr/node/15790> (last accessed 24 July 2020).

Copenhaver, Martin, 'Orphan Works and Global Interplay of Democracy, Copyright, ad Access' in Kirk St. Amant and Martine Rife (eds), *Legal Issues in Global Contexts: Perspectives on Technical Communication in an International Age* (Routledge 2016).

Daskal, Jennifer, 'Speech across Borders' (2019) 105 *Va L Rev* 1605.

Daskal, Jennifer, 'Borders and Bits' (2018) 71 *Vand L Rev* 179.

Daskal, Jennifer, 'The Un-Territoriality of Data' (2015) 125 *Yale L J* 326.

de Gregorio, Giovanni, 'Google v. CNIL and Glawischnig-Piesczek v. Facebook: Content and Data in the Algorithmic Society' (*MediaLaws*, 16 March 2020) <http://www.medialaws.eu/rivista/google-v-cnil-and-glawischnig-piesczek-v-facebook-content-and-data-in-the-algorithmic-society> (last accessed 24 July 2020).

de la Chapelle, Bertrand and Paul Fehlinger, 'Jurisdiction on the Internet: From Legal Arms Race to Transnational Cooperation' in Giancarlo Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (OUP 2020).

de Miguel Asensio, Pedro, *Conflict of laws and the Internet* (Edward Elgar 2020).

Demchak, Chris and Peter Dombrowski, 'Cyber Westphalia: Asserting State Prerogatives in Cyberspace' (2013–2014) *Geo J Int Aff* 29.

Diab, Robert, 'Search Engines and Global Takedown Orders: Google v Equustek and the Future of Free Speech Online' (2020) *Osgoode Hall L J* 56(2) 231.

Douglas, Michael, 'Extraterritorial Injunctions affecting the Internet' (2018) 12(1) *J Equity* 34.

European Commission, 'The Digital Services Act package' <https://ec.europa.eu/digital-single-market/en/digital-services-act-package> (last accessed 24 July 2020).

Floridi, Luciano, 'We Dislike the Truth and Love to be Fooled (Luciano Floridi)' (*Cyceon*, 21 November 2016) <https://cyceon.com/2016/11/21/luciano-floridi-oxford-uk-google-interview>.

Geiger, Christophe, 'Challenges for the Enforcement of Copyright in the Online World: Time for a New Approach' in Paul Torremans (ed), *Research Handbook on the Cross-Border Enforcement of Intellectual Property* (Edward Elgar 2014).

Geist, Michael, 'The Equustek Effect: A Canadian Perspective on Global Takedown Orders in the Age of the Internet' in Giancarlo Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (OUP 2020), 709–726.

Geist, Michael, 'Is There a There There? Towards Greater Certainty for Internet Jurisdiction' (2001) 16 *Berkeley Tech L J* 1345.

Gerry, Felicity and Nadya Berova, 'The Rule of Law Online: Treating Data like the Sale of Goods: Lessons for the Internet from OECD and CISG and Sacking Google as the Regulator' (2014) 30 *CLSR* 475.

Globocnik, Jure, 'The Right to be Forgotten is Taking Shape: 'CJEU Judgments in GC and Others (C-136/17) and Google v CNIL (C-507/17)' (2020) 69(4) *GRUR Int* 380.

'Google Settles Hong Kong Defamation Law Suit in UK Jurisdiction' (*Internet & Jurisdiction Policy Network—I&J Retrospect Database*, November 2014) https://www.internetjurisdiction.net/publications/retrospect#eyJ0byI6IjIwMjAtMDUifQ== (last accessed 24 July 2020).

Google Transparency Report <https://transparencyreport.google.com> (last accessed 24 July 2020).

Goldsmith, Jack and Tim Wu, *Who Controls the Internet? Illusions of a Borderless World* (OUP 2006).

Goldsmith, Jack, 'Unilateral Regulation of the Internet: A Modest Defence' (2000) 11 *Eur J Int L* 135.

Governmental Advisory Committee, ICANN, Principles for Delegation and Administration of ccTLDs (23 February 2000) http://www.icann.org/committees/gac/gac-cctldprinciples-23feb00.htm (last accessed 24 July 2020).

Gratton, Eloïse and Jules Polonetsky, 'Droit A'L'Oubli: Canadian Perspective on the Global 'Right to be Forgotten Debate' (2017) 15 *Colo Tech L J* 337.

Hopkins, Cathyrn, 'Territorial Scope in Recent CJEU Cases: Google v CNIL / Glawischnig-Piesczek v Facebook' (*Inforrm's Blog*, 9 November 2019) <https://inforrm.org/2019/11/09/territorial-scope-in-recent-cjeu-cases-google-v-cnil-glawischnig-piesczek-v-facebook-cathryn-hopkins> (last accessed 24 July 2020).

Husovec, Martin, 'How Europe wants to redefine Global Online Copyright Enforcement' in Tatiana Eleni Synodinou (ed), *Pluralism or Universalism in International Copyright Law* (Kluwer Law International B.V 2019).

Johnson, David and David Post, 'Law and Borders—The Rise of Law in Cyberspace' (1996) 48 *Stan L Rev* 1367.

Keller, Daphne, '*Dolphins in the Net: Internet Content Filters and the Advocate General's Glawischnig-Piesczek v Facebook Ireland Opinion*' (*Stanford Center for Internet and Society*, 4 September 2019).

Kohl, Uta, *The Net and the Nation State*; *Multidisciplinary Perspectives on Internet Governance* (CUP 2017)

Manavello, Costanza and Laura Di Tecco, 'The Global Implications of the CJEU's Ruling in Google "Right to Be Forgotten" Case' (*IP Watchdog*, 16 October 2019) <https://www.ipwatchdog.com/2019/10/16/global-implications-cjeus-ruling-google-right-forgotten-case> (last accessed 24 July 2020).

Miglio, Alberto, 'Enforcing the Right to Be Forgotten Beyond EU Borders' in Elena Carpanelli and Nicole Lazzerini (eds) *Use and Misuse of New Technologies* (Springer, Cham 2019).

Neumann, Sophie, 'Ubiquitous and Multistate Cases' in Paul Torremans (ed), *Research Handbook on the Cross-Border Enforcement of Intellectual Property* (Edward Elgar 2014).

Perotti, Elena, *Right to Be Forgotten: The European Ruling and Its Extra-EU Implementation* (WAN-INFRA 2016).

Polcak, Radim and Dan Svantesson, *Information Sovereignty: Data Privacy, Sovereign Powers and the Rule of Law* (Edward Elgar 2017).

Reindl, Andreas, 'Choosing Law in Cyberspace: Copyright Conflicts on Global Networks', (1998) 19 *Mich J Int L* 799.

Rosati, Eleonora, 'Intermediary IP Injunctions in the EU and UK Experiences: When Less (Harmonization) is More?' (2017) 14 *JIPLP* 338.

Savin, Andrej, 'The CJEU Facebook Judgment on Filtering with Global Effect: Clarifying Some Misunderstandings' (*EU Internet Law & Policy Blog*, 4 October 2019) <https://euinternetpolicy.wordpress.com/2019/10/04/the-cjeu-facebook-judgment-on-filtering-with-global-effect-clarifying-some-misunderstandings> (last accessed 24 July 2020).

Scassa, Teresa and Robert Currie, 'New First Principles: Assessing the Internet's Challenges to Jurisdiction' (2010) 42(4) *Georgetown J. of Int L* 1018.

Schiff Berman, Paul, 'Towards a Cosmopolitan Vision of Conflict of Laws: Redefining Governmental Interests in a Global Era' (2005) 153 *U Pa L Rev* 1819.

Schiff Berman, Paul, 'The Globalization of Jurisdiction' (2002) 151 *U Pa L Rev* 311.

Schultes, Rainer, 'Austrian Supreme Court: Public National Broadcaster ORF/Facebook – First Follow Up Ruling after CJEU C18/18, Glawischnig/Facebook' (*Kluwer Copyright Blog*, 2 June 2020) http://copyrightblog.kluweriplaw.com/2020/06/02/austrian-supreme-court-public-national-broadcaster-orf-facebook-4ob36-20b (last accessed 24 July 2020).

Senz, Deborah and Hilary Charlesworth, 'Building Blocks: Australia's Response to Foreign Extraterritorial Legislation' (2001) 2(1) *Melb J Int'l L* 69.

Seuba, Xavier, *The Global Regime for the Enforcement of Intellectual Property Rights* (CUP 2017).

Smith, Graham, 'Notice and Stay-down Orders and Impact on Online Platforms' (*Web Page*, October 2019) <https://www.twobirds.com/en/news/articles/2019/global/notice-and-stay-down-ordersand-impact-on-online-platforms#__prclt=pzS67trR>.

Svantesson, Dan, 'Internet Jurisdiction and Intermediary Liability' in Giancarlo Frosio (ed), *The Oxford Handbook of Online Intermediary Liability* (OUP 2020).

Svantesson, Dan, 'Scope of Jurisdiction Online and the Importance of Messaging – Lessons from Australia and the EU' (2020) 38 *Computer L & Security Rev* 105428.

Svantesson, Dan, 'Jurisdictional Issues and the Internet—A Brief Overview 2.0' (2018) 34(4) *CLSR* 715–22.

Svantesson, Dan, '"Lagom Jurisdiction"—What Viking Drinking Etiquette Can Teach Us about Internet Jurisdiction and Google France' (2018) 12(1) *Masaryk U J L Tech* 29–47.
Svantesson, Dan, *Solving the Internet Jurisdiction Puzzle* (OUP 2017).
Svantesson, Dan, 'Jurisdiction in 3D—"Scope of (Remedial) Jurisdiction" as a Third Dimension of Jurisdiction' (2016) 12(1) *J Priv Int'l L.* 60–76.
Svantesson, Dan, *Private International Law and the Internet* (Kluwer Law Int'l 2016).
Svantesson, Dan, 'Limitless Borderless Forgetfulness? Limiting the Geographical Reach of the 'Right to be Forgotten' (2015) 2(2) *Oslo L Rev* 116–38.
Svantesson, Dan, 'The Google Spain Case: Part of a Harmful Trend of Jurisdictional Overreach', EUI Working Paper RSCAS 2015/45 (2015).
Svantesson, Dan, 'Between a Rock and a Hard Place – An International Law Perspective of the Difficult Position of Globally Active Internet Intermediaries' (2014) 30 *CLSR* 348.
Svantesson, Dan, 'Delineating the Reach of Internet Intermediaries' Content Blocking – 'ccTLD Blocking', 'Strict Geo-location Blocking', or a 'Country Lens Approach'?' (2014) 11(2) *SCRIPT-ed* 153–170.
Taddeo, Mariarosaria and Luciano Floridi, 'The Debate on the Moral Responsibility of Online Service Providers' (2015) 22 *Sci Eng Ethics* 1575.
The Information Society Project and The Floyd Abrams Institute for Freedom of Expression, *Extraterritorial Enforcement: Developing Norms for the Information Society* (Workshop White Paper, Yale Law School, 2018) <https://law.yale.edu/sites/default/files/area/center/isp/documents/extraterritorial_enforcement_paper.pdf> (last accessed 24 July 2020).
Torremans, Paul, 'Dangers and Challenges of Copyright Law's Segmentation in the Digital Era from a Private International Law Perspective' in Tatiana Eleni Synodinou (ed), *Pluralism or Universalism in International Copyright Law* (Kluwer Law International BV 2019).
Van Alsenoy, Brendan and Marieke Koekkoek, 'Internet and Jurisdiction after *Google Spain*: The Extraterritorial Reach of the 'Right to be Delisted'' (2015) 5(2) *Int Data Privacy L* 105.
von Arx, Kim and Gregory Hagen, Sovereign Domains A Declaration of Independence of ccTLDs from Foreign Control' (2002) 9 *Rich J L & Tech* 4.
Zalnieriute, Monika, 'Google LLC v. Commission Nationale de l'informatique et des Libertés (CNIL)' [2020] 114(2) *American J of Int L* 261.
WIPO, *Intellectual Property on the Internet: A Survey of Issues* (WIPO 2002) para 310 (considering the issue as an open question).
Woods, Andrew Keane, 'The CJEU Facebook Ruling: How Bad Is It, Really?' (*Lawfare*, 4 October 2019) <https://www.lawfareblog.com/cjeu-facebook-ruling-how-bad-it-really> (last accessed 24 July 2020).
Woods, Andrew Keane, 'Three Things to Remember from Europe's "Right to Be Forgotten" Decisions' (*Lawfare*, 1 October 2019) <https://www.lawfareblog.com/three-things-remember-europes-right-be-forgotten-decisions> (last accessed 24 July 2020).
Woods, Andrew Keane, 'Litigating Data Sovereignty' (2018) 128 *Yale L J* 328.
Woods, Lorna, 'Facebook's Liability for Defamatory Posts: The CJEU Interprets the e-commerce Directive' (*EU Law Analysis*, 7 October 2019) <http://eulawanalysis.blogspot.com/2019/10/facebooks-liability-for-defamatory.html> (last accessed 24 July 2020).

Case law

AT v Globe24h.com [2017] FC 114 (Can.).
C-18/18 *Eva Glawischnig-Piesczek v Facebook Ireland Ltd* [2019] ECLI:EU:C:2019:821.
C-507/17 *Google LLC v Commission nationale de l'informatique et des libertés (CNIL)* [2019] ECLI:EU:C:2019:772.
C-507/17, *Google LLC v Commission nationale de l'informatique et des libertés* (CNIL) [2019] ECLI:EU:C:2019:15, Opinion of AG Szpunar.
C-507/17 *Google LLC v Commission nationale de l'informatique et des libertés (CNIL)*, Request for a preliminary ruling from the Conseil d'État (France) lodged on 21 August 2017.
C-131/12 *Google Spain SL v Agencia Española de Protección de Datos* [2014] ECLI:EU:C:2014:317
C-170/12 *Pinckney v KDG Mediatech* [2013] ECLI:EU:C:2013:635
C-192/04 *Lagardère Active Broadcast v SPRE and GVL* [2004] ECLI:EU:C:2005:475.
Cheickh Bangoura v The Washington Post [2005] O.J. No. 3849.
CNIL Restricted Committee Decision no 2016–054 of 10 March 2016.
Conseil d'Etat [Council of State] no 399922 [27 March 2020] (Fr.).

Dawn Hassell and Hassell Law Group v Ava Bird, 247 Cal.App.4th 1336 (2016).
Dawn Hassell and Hassell Law Group v Ava Bird, S235968 (Cal Supreme Ct, 2 July 2018).
Dow Jones & Company Inc v Gutnick [2020] HCA 56.
Dr. Yeung, Sau Shing Albert v. Google Inc [2014] 4 HKLRD 493 (HK).
Dr. Yeung, Sau Shing Albert v. Google Inc [2015] 1 HKLRD 26 (HK).
Equustek Solutions Inc. v Jack [2014] BCSC 1063 (Can.).
Equustek Solutions Inc. v Jack [2018] BCSC 610 (Can.).
Equustek Solutions Inc. v Google [2015] BCCA 265 (Can.).
Equustek Solutions Inc. v Google [2017] SCC 34 (Can.).
Garcia v. Google, Inc., 766 F.3d 929 (9th Cir. 2014), *amending* 743 F.3d 1258 (9th Cir. 2014) (US).
Garcia v. Google, Inc., 786 F.3d 733 (9th Cir. 2015) (US).
Garcia v. Nakoula, No. 2:12-cv-08315, 2012 BL 334702 (US).
Geeta Shroff v. Youtube, Additional District Court at Saket, OS 25/2015 (India).
Google LLC v Equustek Solutions Inc. et al., 13 (ND Cal. 2017).
Hilton v Guyot 159 US 113 (1895).
La Ligue Contre Le Racisme et L'antisemitisme; L'Union Des Etudiants Juifs De France v Yahoo! Inc., Tribunal de grande instance [High Court] (TGI) Paris [22 May 2000] (Fr).
Nazerali v. Mitchell [2016] BCSC 810 (Can.).
Nazerali v Mitchell [2018] BCCA 104 (Can.).
ORF/Facebook OGH 30.03.2020, 4Ob36 / 20b (Austria).
Swami Ramdev & Anr v Facebook, Inc. & Ors [2019] 178 DRJ 151 (India)
SS Lotus (France v. Turkey), 1927 P.C.I.J. (ser. A) No. 10 (Sept. 7, 1927).
Subodh Gupta v Herdscene & Ors., High Court of New Delhi at Delhi, CS(OS) 483/2019 (India).
X. v. Twitter, [2017] NSWSC 1300 (Aus.).
X. v. Twitter, [2017] NSWSC 1300 (Aus.).
X v. Y and Z, [2017] NSWSC 1214.
Yahoo! Inc. v La Ligue Contre Le Racisme et L'antisemitisme; L'Union Des Etudiants Juifs De France, 169 F. Supp. 2d 1181, 1184–85 (ND Cal 2001) (US).
Yahoo! Inc v La Ligue Contre Le Racisme et L'antisemitisme; L'Union Des Etudiants Juifs De France, 433 F.3d 1199, 1205 (9th Cir. 2006) (US).
Youtube v Geeta Shroff 2018 SCC OnLine Del 9439 (India)

SECTION VI

The Court of Justice of the European Union



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

22

THE MULTIFACETED INFLUENCE OF THE ADVOCATES GENERAL ON THE COURT OF JUSTICE'S COPYRIGHT CASE LAW

Legal secretaries, literature and language

*Estelle Derclaye**

Abstract

Over the years, the Court of Justice of the European Union has had an enormous influence on shaping EU copyright law. In turn, research has shown that Advocates General (AsG) strongly influence the Court. The influence of the legal secretaries on AsG is less known. There is no research on what literature in what languages the AsG rely on in their opinions and therefore which literature and languages influence the Court when it follows their opinions. This chapter fills these gaps in EU copyright law. First, it examines the cases where the Court followed in full or in part or has not followed the AsG to determine trends in terms of AGs, gender, topic, type of chamber. Second, it counts the references to the literature relied by the AGs to determine how many of them cite and rely on literature in their opinions. Finally, the chapter shows that some languages are more relied on by AsG and thus are more influential than others.

Contents

Abstract 443
Introduction 444
State of the art – previous empirical studies on Advocates General opinions 446
Methodology 448
The Advocate General 450
Selection 450
Role 450
Allocation of cases 451

* I am deeply grateful to a legal secretary and a former Advocate General at the Court of Justice, who wish to remain anonymous, for their insights on aspects related to the work of Advocates General, legal secretaries and workings of the Court in general. Thanks also to Helena Haag for trawling the internet and official directories to find information on the legal secretaries and to Gilles Stupfler for checking if any inferential statistics could be performed.

The legal secretary 452
Selection 452
Role 453
Allocation of cases 454
Languages spoken by the Advocates General and legal secretaries 454
Literature cited in Advocates-General opinions 455
Findings 456
'Following' the Advocate General 456
Literature 459
Languages 460
Conclusion 462
References 471

Introduction

Over the years, the Court of Justice of the European Union (the Court) has had an enormous influence on shaping EU law and even more so recently because more and more national courts refer questions to the Court, owing among others to the addition of many more Member States.[1] This has also been the case for EU copyright law. In turn, the Court is influenced by a number of sources, be they the judges' background, the parties, the Commission or the intervening Member States (on the latter, in particular, see the discussion in Chapter 23). Relatively recently, EU law commentators have started studying these influences to try and decipher patterns and understand and predict the evolution of case law. Now that a growing body of EU copyright case law has emerged, copyright literature is burgeoning to understand the forces that shape the Court's influential case law.[2] So far copyright literature has focused on the professional background of the judges and their lack or not of specialization in copyright law, the influence of Member States and the Commission in proceedings and the frequency at which the Court follows the Advocate General (AG), namely 78%.[3, 4] Prompted by this statistic, this article digs deeper into this latter source of influence and what also influences Advocates General (AsG). Indeed, in view of this high percentage, it seems that AsG have an enormous influence on the Court. First, it is clear that AsG have more time to research the issues than the members of the Court and have the special task of convincing the Court. Second, as Arrebola et al. showed with their inferential statistics of a large body of case law, "it is

1 However, with the departure of the UK following Brexit, the number of refences in this field of law may stagnate since no less than 9 out of 84 cases were referred by UK courts. Compared to similar-size Member States such as Germany (16) and France (3), this is a big chunk of the references.

2 E. Rosati, *Copyright and the Court of Justice of the European Union* (Oxford: OUP, 2019); E. & CM. Rosati, "Data-Based Case Law Applied to EU Copyright (1998–2018): A Quantitative Assessment" (2019) *IPQ* 196–223; M. Favale, M. Kretschmer & P. Torremans, "Is there an EU Copyright Jurisprudence? An Empirical Analysis of the Workings of the European Court of Justice" (2016) 79(1) *Modern Law Review* 31–75; M. Favale, M. Kretschmer & P. Torremans, "Who is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law" (2020) 83(4) *Modern Law Review* 831–860.

3 E. Rosati, *Copyright and the Court of Justice of the European Union*.

4 In 78% of copyright cases the CJEU follows the AG (in 13 cases, the CJEU did not follow AG compared to 59 where it did); this includes all copyright cases from *Metronome Music* in 1998 to *SNB React* of 7 August 2018. See E. Rosati, *Copyright and the Court of Justice of the European Union*, p. 35. By following, Rosati means has the same result, whether or not the AG's argumentation is followed.

difficult to reject the proposition that the Advocate General exerts some influence on the Court. (…) Despite judges being adults who are free to choose and reason independently, our analysis shows that there is some component in the making of a decision that is simply attributed to what the Advocate General recommended".[5] The AsG are themselves influenced by a number of sources, most importantly their legal secretaries (also commonly called référendaires in French but also in English literature), on which, as we shall see below, they rely heavily, and the literature they research and cite in their draft opinions. Therefore, the Court is influenced indirectly by academic literature and the languages in which it is published. There has been little research on the influence of the AsG, in general, on the Court's judgments,[6] even less, let alone empirical, literature on the role of legal secretaries[7] and none on the academic literature and the language of the literature cited in AG opinions nor on the impact of the gender of the AsG as such.[8] There is also scant literature checking *how* the Court followed the AsG in copyright preliminary references, namely was the AG followed in full (arguments and result) or in part (result but not all arguments, or fully on some questions but not others).[9] This chapter fills those gaps through empirical

5 Arrebola et al., pp. 108–109.

6 C. Arrebola, A.J. Mauricio & H. Jimenez Portilla, "An Econometric Analysis of the Influence of the Advocate General on the Court of Justice of the European Union", (2016) 5(1) *Cambridge Journal of International and Comparative Law* 82–112; A. Huyue Zhang, "The Faceless Court" (2016) 38 *University of Pennsylvania Journal of International Law* 71, available at https://scholarship.law.upenn.edu/jil/vol38/iss1/2/; S. Kenney, "Breaking the Silence: Gender Mainstreaming and the Composition of the European Court of Justice" (2002) 10 *Feminist Legal Studies* 257–270; A. Lazowski, "Advocates General and Grand Chamber Cases: Assistance with the Touch of Substitution" (2012) 14 *Cambridge Yearbook of European Law Studies* 635; K. Mortelmans, "The Court Under the Influence of its Advocates General: An Analysis of the Case Law on the Functioning of the Internal Market" (2005) 24 *Yearbook of European Law* 127C. Ritter, "A New Look at the Role and Impact of Advocates-General—Collectively and Individually" (2006) 12 *Columbia Journal of European Law* 751; U. Sadl & S. Sankiri, "The Elusive Influence of the Advocate General on the Court of Justice: The Case of European Citizenship" (2017) 36 *Yearbook of European Law* 421–441; T. Tridimas, "The Role of the AG in the Development of Community: Some Reflections" (1997) 34 *Common Market Law Review* 1349; R. Zakharenko, "Invisible Influence? The Role of the Advocate General in the European Court of Justice on the Development of Community Law" (University Honors in International Studies, 2012), available at https://auislandora.wrlc.org/islandora/object/1112capstones:129. Unless otherwise indicated, all web sites were last accessed on 31 August 2020.

7 M. Bobek, "The Court of Justice of the EU", in A. Arnull & D. Chalmers (eds.), *The Oxford Handbook of European Union Law* (Oxford: Oxford University Press, 2015), p. 168 (regretting that there has been little research on legal secretaries especially given their influence over the judicial decision-making); M-J. Clifton & P. Pohjankoski, "Administering European Justice: The Origins and Role of Legal Secretaries at the Court of Justice of the European union and the EFTA court", *The International Trade Law Review*, 5th edition, September 2019, available at https://thelawreviews.co.uk/edition/the-international-trade-law-review-edition-5/1197823/administering-european-justice-legal-secretaries-referendaires; S. Gervasoni, « Des référendaires et de la magistrature communautaire », in *Etat souverain dans le monde d'aujourd'hui : Mélanges en l'honneur de Jean-Pierre Puissochet* (Pedone, 2008), 105; M. Johansson, "The Role and Importance of Legal Secretaries", *Competition Law Insight*, 3 July 2007, pp. 11–13.

The first article to provide a statistical analysis on the background of legal secretaries was published only in 2016 by A. Huyue Zhang, "The Faceless Court" (2016) 38 *University of Pennsylvania Journal of International Law* 71, available at https://scholarship.law.upenn.edu/jil/vol38/iss1/2/.

8 With the exception of S. Kenney, "Breaking the Silence: Gender Mainstreaming and the Composition of the European Court of Justice" (2002) 10 *Feminist Legal Studies* 257–270.

9 The only research so far is by Sadl & Sankiri. As some commentators have rightly pointed out, one must be mindful what one means by 'follow'. The court does not strictly follow the AG when it adopts the same result but not same arguments to arrive at that result or adopts the same argumentation and result a as the AG but not for all questions referred by the national court. Statistics are therefore complicated to calculate. See C. Arrebola, A.J. Mauricio & H. Jimenez Portilla, "An Econometric Analysis of the Influence of the Advocate General on the Court of Justice of the European Union", (2016) 5(1) *Cambridge Journal of International and*

analysis. The analysis is limited to EU copyright case law but the method can be applied to all areas of EU law. Because the AsG's influence on the Court is strong, in general, and, in particular, in copyright cases, the research helps showing what influences shape EU copyright case law.

The chapter provides answers to the following questions. In which cases does the Court follow the AG in full, in part or not at all? Is there a pattern (similar cases, similar AsG, gender)? Does the majority of AsG cite academic literature? Do they rely on it? Are AsG citing more literature in more difficult cases? Do female AsG cite more literature than male AsG and do they rely more often on the literature? In what languages is the most frequently relied on literature? Do AsG cite more literature in their mother tongue? Do AsG originating from small Member States cite literature from their own country? Is the team of legal secretaries of each AG have French speakers? Who are the most cited authors?

The chapter is structured as follows. In Section 1, we map the state of the art. Section 2 describes the chosen methodology. Understanding the respective selection processes and roles of the AsG and legal secretaries, the allocations of cases to them, the languages they speak and how they research to write their opinions are important to realize their influence and the influence that their languages have on the Court, these are the tasks of sections 3 to 6. Before concluding, section 7 presents the findings.

State of the art – previous empirical studies on Advocates General opinions

Previous research on AsG opinions has shown that on average between ca. 70% and 90% of the time, the Court 'follows' the AG. While some authors mention percentages, they do not explain which methodology they used so we will not mention them. Most authors use both quantitative and qualitative methods. A summary of their quantitative results follows. Starting with Tridimas' seminal article, his method was to check the proportion of cases during a certain period (he chose the first six months of 1996) in which the Court followed the AG's opinion in any type of procedure. While he checked whether the Court followed in full or in part, he did not say what he meant by this. Does 'in part' mean that the Court follows some questions and not others adopting the same argumentation for some or follows the result of the opinion but not the same arguments, or both? Does 'follow fully' means that the Court adopts the same argumentation and the same result as the AG for all points raised? His results were that the opinions were followed in full or in its greatest part in ca. 88% of the 102 cases in his sample.[10] Mortelmans analyzed a selection (47) of free movement cases from 1974 to 2000 involving both direct actions and preliminary rulings.[11] His results give 84% where the Court follows in full or in part. He analyzed *every issue* in a case and coded it followed full, in part or not followed according to whether the Court follows or not the result for each issue but seemingly not the argumentation/reasoning of the AG.[12] Ritter analyzed cases from all types of procedures during 2004 and 2005 and used yet another method namely counting the number

Comparative Law 82–112 and S. Robertson, "How Often Does the ECJ follow Advocates General? Or Should that be CJEU?", Out-Law Analysis, 18 Oct 2010, available at https://www.pinsentmasons.com/out-law/analysis/how-often-does-the-ecj-follow-advocates-general-or-should-that-be-cjeu.

10 T. Tridimas, p. 1362.

11 Mortelmans, p. 145.

12 Mortelmans, pp. 146 and 149.

of times the Court cites the AG, whether the Court cites it once or for every issue in the case. He admits this is a poor proxy to determine if the Court follows the AG, whether on the result or on the argumentation. Indeed, as is known, the Court does not always cite the AG and even if it does not it may follow her in full or in part, whether only the result or the entire argumentation.[13] This was also verified in our sample of copyright cases. Zakharenko checked infringement cases (ex-art. 169 of the Treaty) from 1966–1977 (sample of 34 cases) and found that the Court followed the AG's opinion in 91% of the cases.[14] Zakharenko checked whether both the result and the argumentation was the same. Moreover, in 76.5% of the cases "the wording and phrasing used in the concluding statements were *identical*".[15] U. Sadl & S. Sankiri examined the case law on European citizenship from 1995 to 2014 (118 cases) and coded it as agreeing with the AG's reasoning fully, mostly, partly, to a lesser extent or not at all, the combined total of the first three is 84%.[16] They also coded several factors that can influence the Court, the background and level of seniority of the AG, type of procedure and subject-matter to the case.

All these studies used descriptive statistics only.[17] One study uses inferential statistics to prove causation and predict the direction of future case law.[18] Arrebola et al. analyzed the opinions of AsG in all cases concerning annulations of (or part of) acts for 20 years namely from 1994 to 2014 except appeals from the General Court and obviously those cases that do not have an AG opinion, giving a sample of 285 cases. Their findings suggest that the Court is ca. 67% more likely to annul the act if the AG advised it to than if they advise the Court not to or to dismiss the case.[19]

As many scholars, including those performing these studies[20] acknowledge, it is difficult to ascertain whether the Court has followed the AG. To get a good idea of the AG's influence on the Court, one cannot do a purely quantitative analysis by counting the times the Court cites the AG or comes up with the same conclusion as the AG without checking the argumentation is also followed. Only Zakharenko and Sadl & Sankiri did this and Zakharenko with a very small sample of cases. Therefore, our analysis is both quantitative and qualitative. The entire case law is read along with the opinion to check whether the Court follows the argumentation and not just the result arrived at by the AG.

13 Ritter, p. 766-767 ("Even where it follows the opinion, the Court does not systematically cite it. (…) The only point here is that the more issues there are in a single case, there more opportunities there are for the AG to get one right and be cited in the corresponding judgment").

14 Zakharenko, p. 22.

15 Zakharenko, p. 25 (original emphasis).

16 Sadl & Sankiri, p. 429. However, their percentages seem wrong as they add up to 103%. The percentage according to their number of cases cited on that page should be 81.3%.

17 Another study is purely qualitative and examines a sample grand chamber cases. See A. Lazowski, "Advocates General and Grand Chamber Cases: Assistance with the Touch of Substitution" (2012) 14 *Cambridge Yearbook of European Law Studies* 635.

18 Arrebola et al. They cite some studies using inferential statistics in slightly different topics (i.e. not measuring the influence of AG opinions on the decisions of the court) but showing that AG opinions have a systematic positive influence on the decisions of the Court spanning 1987 to 1997 and concluding that more research should be performed on this topic.

19 Arrebola et al., p. 84. They also coded several factors that can influence the AG such as Member States, type of claimant, subject-matter, composition of the court, reviewable act.

20 See, e.g. Ritter, pp. 766–767; Tridimas, at 1363 ("it may not always be easy to ascertain whether the opinion has been followed. The opinion may have been followed to a greater or lesser extent. The Court may reach the same result but on the basis of different reasoning and, in some cases, it may not be obvious which parts of the advocate general's reasoning the Court has endorsed"). Indeed, in one case it was not possible to ascertain with certainty whether the court endorsed the AG's reasoning or not.

There has also so far been very little research on the selection and role of legal secretaries let alone their biographies. The first article to provide a statistical analysis on the background of legal secretaries was published only in 2016.[21] As far as we are aware there has been no research done on the languages spoken by the AsG and the influence they have on their opinions, let alone the references to academic literature cited by the AsG. This chapter aims to fill this gap. Even if only descriptive statistics can be used because of the small sample, our study adds to the body of evidence that the AG has an influential role for the first time in the field of copyright law, and for the first time in EU law, in relation to the influence exerted by their legal secretaries and the language of the literature cite in the opinions.

Methodology

The methodology this chapter adopts is qualitative (content analysis (coding of several types of data) and interviews) and quantitative (descriptive statistics).

The dataset includes all copyright cases referred for a preliminary ruling to the CJEU from *Metronome Music* (1998) to *Brompton Bicycle* (2020) (a full list is included in the table at the end of the chapter). Cases involving private international law and competition law issues linked to copyright are excluded. Cases which involve these issues in addition to pure copyright issues are included in the database but data on these issues was not collected. 1998 was chosen as this is when preliminary rulings on substantive copyright law started.[22]

There are 75 copyright cases from *Metronome Music* until *Brompton Bicycle* where there has been an AG opinion.[23] When one adds the cases where no AG opinion was delivered, the number rises to 84.[24] In the sample of 75 cases, there are 26 cases with an opinion but where the AG does not cite any references to the academic literature.[25] So there are 49 cases with an opinion which cites references to the literature. To that we add one (*Infopaq II*), where no opinion was delivered but in which the Court follows the opinion in *Infopaq I* where the same AG had replied to the same questions asked a second time to the Court. We also withdraw three of the four 2004 databases cases as they are all replying to the same questions in the same way and therefore are duplicates. This gives us a sample of 47 decisions where an opinion cites literature. The vast majority of statistics are performed on these 47 cases since

21 A. Huyue Zhang, "The Faceless Court" (2016) 38 *University of Pennsylvania Journal of International Law* 71, available at https://scholarship.law.upenn.edu/jil/vol38/iss1/2/.

22 The first explicit copyright reference was delivered on 20 October 1993 (*Phil Collins*) but was excluded as it is a non-discrimination case (article 7 of the EEC Treaty) rather than a substantive copyright law case.

23 Only case C-168/09 (*Flos*) is not included in the sample as it is in essence more a design case. AG Bot delivered the opinion and did not cite any literature.

24 The 9 cases are: *Svensson,* Case C-466/12, *APIS,* Case C-545/07, *Vereniging van Educatieve en Wetenschappelijke Auteurs (VEWA) v Belgische Staat,* Case C-271/10, *Cassina SpA v Alivar Srl* and *Galliani Host Arredamenti Srl,* Case C-198/10, *Public Relations Consultants Association Ltd v Newspaper Licensing Agency,* Case C-360/13, *Ryanair v PR Aviation,* Case C-30/14, *Christies,* C-41/14, *AKM v Zuersnet,* Case C-138/16 and *C-More,* Case C-279/13.

25 *Butterfly Music,* Case C-60/98, *Directmedia,* Case C-304/07, *Landhessen,* Case C-360/00, *SENA,* Case C-245/00, *Lagardere,* Case C-192/04, *Foundation Gala-Salvador Dali,* C-518/08, *Football Dataco v Yahoo!UK,* Case C-604/10, *Bonnier,* Case C-461/10, *VG Wort,* Joined Cases C-457/11 to C-460/11, *Amazon.Com,* Case C-521/11, *Nintendo v PC Box,* Case C-355/12, *OSA,* Case C-351/12, *Football Dataco v Sportradar, Case* C-173/11, *T.U. Darmstadt,* Case C-117/13, *Art & Allposters,* Case C-419/13, *Copydan,* Case C-463/12, *Dimensione Direct Sales,* Case C-516/13, *HP v Reprobel,* Case C-572/13, *Austro-Mechana Gesellschaft v Amazon,* Case C-572/14, *Reha Training,* Case C-117/15, *GS Media,* Case C-160/15, *Soulier,* Case C-301/15, *ITV v TV Catchup,* Case C-275/15, *Stichiting Brein v Wullems (Filmspeler),* Case C-527/15, *VCast, Case* C-265/16, and *Levola,* Case C-310/17.

the article tries to ascertain the influence of academic literature on AsG. When they are performed on the bigger sample of 75 or 84 cases, this is indicated.

The relevant categories of data collected for each decision are as follows: case number, names of the parties, date of the opinion, number of questions referred, AG's name, name of judge rapporteur and number of judges deciding the case, languages of the AG, languages of the legal secretaries, language and number of references relied upon by the AG, and whether the Court follows the opinion in full, in part or does not follow the AG opinion.

Only substantive copyright law issues were checked to see if the Court followed them, therefore procedural aspects such as admissibility points were not. First, each opinion and each case were collected. Each reference to legal literature in each AG opinion was listed. Those on which the AG relied with approval were highlighted. Each opinion and corresponding decision were then read in full to see if the Court followed the opinion on every or only some questions referred or not at all. If the Court followed the result of the opinion but not the arguments then the case was coded followed in part. Similarly, if the Court followed the argumentation and result for some questions but not all, the same coding was given. The biographies of the AsG were consulted on the Court's web site[26] and on other web sources (e.g., Wikipedia[27]) to find out which languages they speak apart from their mother tongue and what law they specialized in before becoming AsG. The names of the legal secretaries were found via the EU Whoiswho database, the official directory of the EU.[28] The nationalities, languages spoken or CVs, of the legal secretaries are not on the directory. LinkedIn was the main source to find out their languages and training/legal specialization. Other sources include CVs posted online or information garnered from literature that legal secretaries authored. We mapped the languages of the AsG and those of the legal secretaries, noting that this gives an imperfect picture as legal secretaries can come and go sometimes more often than annually[29] and thus the official directory cannot give a perfect picture of the exact times a legal secretary worked with which AG and a fortiori on which case. It is very time-consuming and probably in most cases impossible retrospectively to find out which legal secretary drafted which opinion. One would need to interview current legal secretaries, AsG, the Court's registrar and other Court members and some may not know as they were not at the Court at the time of the case as some cases date back 20 years or more. This was therefore not done. Likewise, the AsG's and legal secretaries' languages are only those visible on the sources we could access and not gathered via interviews with the AsG and legal secretaries. Nonetheless, we believe it gives a rather accurate picture of the reality because the research of the sources was thorough. In any case, it would in the end not have had made a difference as the languages spoken communally between the AsG and the legal secretaries match those cited in all opinions.

26 See https://curia.europa.eu/jcms/jcms/Jo2_7026/en/.

27 Wikipedia lists the members of the European court of justice and gives the years in function: https://en.wikipedia.org/wiki/List_of_members_of_the_European_Court_of_Justice.

28 See https://op.europa.eu/en/web/who-is-who. The legal secretaries are listed after the name of the AG.

29 See, e.g. D. Seytre, « Les référendaires: Pourquoi tant de mystère ? », Le Jeudi, Luxembourg, 16 December 2012 and a conversation with an anonymous legal secretary. There are changes in the legal secretaries when one leaves the court for another job, when the judge or AG dismisses the legal secretary or when the judge or AG's mandate is over and that the successor does not keep the legal secretary or the legal secretary prefers to go work for another member of the court.

The Advocate General

Selection

Article 252 of the Treaty on the Functioning of the European Union (TFEU) provides that there are eight AsG but that the Council can increase their number at the request of the Court. They are appointed by common accord of the governments of the Member States for a six-year renewable term (art. 253 TFEU). Five Member States, namely France, Italy, Germany, Spain and the United Kingdom, are entitled to an AG on a permanent basis. The remaining positions rotate among the other Member States. Every three years, the AsG are partially replaced, four AsG are replaced on each occasion (art. 253 TFEU and art. 9 Protocol (No 3) to the TFEU on the Statute of the Court of Justice of the European Union). Pursuant to the declaration on art. 252 of the TFEU annexed to the final Act of the Intergovernmental Conference which adopted the Treaty of Lisbon signed on 13 December 2007 "[i]f, in accordance with Article 252, first paragraph, of the Treaty on the Functioning of the European Union, the Court of Justice requests that the number of Advocates-General be increased by three (eleven instead of eight), the Council will, acting unanimously, agree on such an increase. In that case, the Conference agrees that Poland will have a permanent Advocate-General and no longer take part in the rotation system, while the existing rotation system will involve the rotation of five Advocates-General instead of three". The number of AsG was not increased when the ten new Member States acceded to the Union on 1 May 2004[30] but only later in 2013.[31] There are currently 11 AsG and Poland has a permanent AG (AG Szpunar). Following AG Bot's death in June 2019, a period with 10 AsG resulted. A new French AG, Jean Richard de la Tour, started on 23 March 2020.[32] Therefore, the number of EU languages represented by the AG is rather small. It is their mother tongue and any other language they know. AsG come from the Member States' judiciary, government or academia.

Role

According to Article 252 TFEU, "it shall be the duty of the Advocate General, acting with complete impartiality and independence, to make, in open court, reasoned submissions on cases which, in accordance with the Statute of the Court of Justice of the European Union, require his involvement". The AG is a judge like the others. "The only differences between AsG and judges are that the AG does not take part in the deliberations of the judges and the AsG do not take part in the election of the President of the Court".[33]

According to Tridimas, the AG exercises two 'classical' functions (they assist the Court in the preparation of the case and propose a solution to the case) and two more creative ones ("he provides legal grounds to justify that solution, in particular, relating it to the existing case law and may opine on such points of law incidental to the case as he thinks fit, and may, in particular, make a critical assessment of the case law or comment on the development of the law in the area in issue"[34]). Others mention that AsG help the Court reach a consensus.[35] AG Léger has even said that one of the AG's function is to "contribute to the academic debate" by engaging

30 Mortelmans, p 131.

31 https://curia.europa.eu/jcms/upload/docs/application/pdf/2013-10/cp130139en.pdf

32 https://curia.europa.eu/jcms/upload/docs/application/pdf/2020-03/cp200034en.pdf

33 Ritter, p. 757.

34 Tridimas, p. 1361.

35 R. Greaves, 'Judge Edward Acting as Advocate General', in M. Hoskins and W. Robinson (eds), *A True European: Essays for Judge David Edward* (Oxford: Hart Publishing, 2003) 98.

in a discussion with academic authors, and so act "as intermediaries between the Court and the academic world".[36] So their role is wider than advising a solution to the case. In short, they can give their opinion on issues arising from the case law but not strictly necessary for the Court to give judgment, criticize the case law, identify trends and potential inconsistencies, and outline possible future developments.[37] They may even do so knowingly, i.e., knowing that for this reason they may not be followed. Therefore, it has led some to say that measuring an AG's success by the number of cases where their opinion was followed can give "a fallacious understanding of the task which the Advocate-General is designed to perform".[38] Knowing this, it is still interesting to measure the AG's influence on the Court because she still influences the outcome of each particular case and also because of this wide role they have which includes detailing arguments/issues which the Court may not be able to owing to the consensus it has to adopt owing to collegiality and the lack of opportunity to dissent. Often the AG's opinion will be consulted to decipher parts of the Court's judgment. In addition, even if an AG is not followed in the case they gave their opinion, their opinion could be followed another time even if they do not deliver the opinion in that next case. This shows the dialectical development of the case law, which leads to a more coherent case law.[39] Mortelmans showed this dialectic at work in a quantitative analysis of the Court's case law on free movement.[40]

Allocation of cases

The First Advocate-General has discretion in allocating cases to AsG but "he is guided by considerations of ensuring pluralism, efficiency and collegiality".[41] Usually, a reference for a preliminary ruling is not allocated to the AG of the Member State from whose court the reference came but this is not a strict rule.[42] "There is no formal specialization among Advocates General but it is clear that sometimes an AG may be responsible for a relatively high proportion of cases in a certain area" as already established by the literature.[43] As noted by Tridimas, AG Van Gerven delivered opinions in a substantial number of sex discrimination cases, AG Léger has been responsible for a number of annulment actions brought by the Parliament and AG Jacobs for a number of VAT and intellectual property cases. As researched by Ritter,

> [l]ooking at the subject-matter of the opinions, it is possible to discern a pattern in the allocation of cases by the First Advocate-General. The opinions delivered in 2004–2005 clearly show that AG Colomer and AG Jacobs get the lion's share of trade mark cases (unlike AG Geelhoed, who has not dealt with a single trade mark case in his whole career as Advocate-General). AG Geelhoed does get many cases involving food and labelling, environmental law, and Article 226 EC, though. AG Maduro specializes in VAT cases. AG Jacobs tends to get more State aid cases than his colleagues. And competition cases seem to be evenly

36 Ritter, p. 758-759, citing *See* Philippe Léger, The Advocate-General (video from the European Navigation database), available at www.ena.lu.

37 Tridimas, at 1361; E. Sharpston, "The Changing Role of the Advocate General", in A. Arnull, P. Eeckhout, and T. Tridimas (eds), *Continuity and Change in EU Law: Essays in Honour of Sir Francis Jacobs* (Oxford: Oxford University Press, 2008), 30.

38 Tridimas, p. 1363.

39 Tridimas, p. 1371.

40 Mortelmans, p. 169.

41 Tridimas, pp. 1355–1356.

42 Ibid.

43 Ibid.

> distributed among AsG, although the most important or high-profile cases often go to AG Tizzano (*Bayer, IMS, Tetra Laval*) and AG Jacobs (*Bronner, SYFAIT*), with AG Jacobs often dealing with cases involving the public sector and government restraints on competition.[44]

A similar pattern appears in the copyright cases. None of the 18 AsG who delivered opinions between 1998 and 2020 had prior knowledge of intellectual property or specialized in intellectual property let alone copyright at the start of their mandate at the Court. Some AsG, and also Reporting Judges, became specialized in copyright law as cases were repeatedly assigned to them at the Court.[45] Incidentally, the same seems to be occurring in the field of designs. Even if there have only been 11 cases with an AG opinion (counting *Flos*) and 12 in total with one oral opinion by AG Wathelet, only 5 AsG have delivered opinions: in chronological order Mengozzi (3), Wathelet (2), Bot (3), Saugmandsgaard Øe (2) and Kokott (1) and 2 AsG have recently then retired (Mengozzi and Wathelet) and one died (Bot). Time will tell if AG Saugmandsgaard Øe and Kokott will carry on delivering more opinions in the field of design law. This de facto specialization is important because since 2017, AsG are overwhelmed with work owing to the ever-increasing number of cases. This de facto subject specialization has been confirmed by an anonymous AG and legal secretary.

The legal secretary

Selection

Legal secretaries are chosen by their AG/judge. They are not employed, judges and AsG can dismiss them without having to give any reason or payment.[46] AsG and judges recruit them through informal channels. There is no open call and no information regarding vacancies. Thus one needs to know someone working there to find out if a place is free.[47] The proposed, single, candidate is either accepted or rejected by the Court.[48] There are no rules about gender, nationality or other quotas. According to the EU Whosiwho, as of 30 December 2017, 66% legal secretaries at the Court of Justice are men and 34% are women (70-30% at the General Court).[49] As stated in the methodology section, the Court does not publish their profiles/CVs, only their names are published in the annual official directory of the EU. Most legal secretaries are experienced lawyers. The average prior working experience of existing and former référendaires is six years and four years, respectively.[50] A. Zhang's data shows that:

> 20% of them worked in other positions in the Court (such as linguists and research positions), 12% served in their respective national governments, 20% worked at the

44 Ritter, p. 765 (fn omitted).

45 See Favale et al. (2016), p. 43 and figure 4 (*Cases by Advocates General and subject matter*) showing "a statistically significant dominance of specific members of the ECJ in copyright and database cases, in what appears to reflect a traditional unwritten operational code of the Court, which tends to assign cases by subject matter, enabling the development of specific expertise").

46 Zhang, p. 23.

47 Ibid.

48 M-J. Clifton & P. Pohjankoski, "Administering European Justice: The Origins and Role of Legal Secretaries at the Court of Justice of the European Union and the EFTA Court", *The International Trade Law Review*, 5th edition, September 2019, available at https://thelawreviews.co.uk/edition/the-international-trade-law-review-edition-5/1197823/administering-european-justice-legal-secretaries-referendaires.

49 Ibid.

50 Zhang, Annex IV.

> Commission, 24% held academic positions and 37% were in private practice. For former référendaires, 7% held other positions in the Court, 8% worked in the national courts, 18% were government officials, 7% worked for the Commission, 27% held academic positions and 56% were in private practice.[51]

Therefore, their professional background is very diverse.[52] The general period a legal secretary serves at the Court is three years but many stay for the full mandate of their judge and some offer their services to another member of the Court when the one for whom they have been working leaves.[53] According to Zhang, more than 31% have served more than a decade.[54] Before 1994, there were three legal secretaries per judge/AG, and generally they had the same nationality as the AG. Since 1994, there generally are four. One of the legal assistants (there are two per AG) is 'transformed' into a legal secretary. The fact is that cases have become so complex that legal secretaries now stay longer.[55]

Role

Because each AG/judge can decide their legal secretary's tasks, they can vary from one AG/judge to another. That said, "in general, the legal secretaries prepare the first drafts of all legal and judicial documents that come out of the members' cabinets".[56] Therefore, legal secretaries play a very important and influential role in judicial decision-making as they are responsible for drafting various reports including the AsG' opinions.[57] According to a former legal secretary, "[t]he legal secretary helps to sharpen the member's arguments by (among other things) trying to convince him or her that their solution is better. … They [the legal secretaries] have the chance – and even an obligation – to influence the position of their judge or AG, functioning as a sort of sparring partner".[58] Despite these huge responsibilities, in recent years, legal secretaries have had less and less time to read the literature owing to severe delays and the number of cases which constantly grows.[59] It is problematic because a case is only dealt with by a single legal secretary and they only have a few weeks to write the opinion's draft, discuss it with the AG, check the translation etc. even if there are some cabinets where the AG and legal secretaries discuss the case together.[60] According to some, many judges nowadays delegate their work to their legal secretaries so they have a strong decisional power although many are young and without administrative or diplomatic experience.[61] As Zhang notes,

> EU judges serve relatively short tenures at the Court (almost 42% of them stay no more than six years). Some judges lack a background in EU law, or struggle with the French language (or both). When judges first start at the Court, they lack adequate support

51 Zhang, pp. 24–25.

52 See also S. Gervasoni, « Des référendaires et de la magistrature communautaire » in *Etat souverain dans le monde d'aujourd'hui: Mélanges en l'honneur de Jean-Pierre Puissochet* (Pedone, 2008), p. 105.

53 M. Johansson, "The Role and Importance of Legal Secretaries", *Competition Law Insight*, 3 July 2007, p. 12.

54 Zhang, p. 26. See also S. Gervasoni, p. 105 stating that an increasing number of legal secretaries tend to stay longer and they have an average age of 39.

55 Thanks to an anonymous legal secretary for this information.

56 Johansson, pp. 11–13, at 12 (the author is a former legal secretary).

57 Zhang, p. 23. See also Clifton and Pohjankoski.

58 Johansson, p. 13.

59 Thanks to an anonymous legal secretary and an anonymous AG for this information.

60 Thanks to an anonymous legal secretary for this information.

61 D. Seytre, « Les référendaires: Hommes et femmes de l'ombre », d'Letzebuerger Land, Luxembourg, 25 January 2008 citing an article of H. Legal in Revue Concurrences, 2005.

> and training to operate efficiently and also need time to familiarize themselves with the Court's working procedure and drafting styles. In contrast, career référendaires are fluent in French, highly skilled in the Court's drafting style, well-versed in EU law and precedents, and familiar with the institutional workings of the Court. Therefore, less able judges rely heavily on these career référendaires.[62]

In addition, legal secretaries, and therefore by implication AsG, can tend to be less bold in their approach to legal solutions because they tend "to strictly adhere to the Court's precedents, formality and style".[63]

Allocation of cases

It is clear that there is also a de facto specialization among the legal secretaries in all cabinets. Sometimes legal secretaries distribute the cases in the cabinet, not even the AG.[64] That said, the principle is that any legal secretary must be able to deal with any case on any subject-matter especially as some may be ill or move to another cabinet.[65] The AG cannot always reread and rewrite every opinion of their legal secretary so the quality can fluctuate.[66]

Languages spoken by the Advocates General and legal secretaries

As stated in the methodology section, no one knows for sure the languages spoken by the judges and legal secretaries. However, it is possible, using their CVs and other information online, to estimate it quite precisely. Very often, at last one of the legal secretary's mother tongue is French as it is the Court's working language.[67] All variants are possible in a single AG or judge cabinet: there are examples of cabinets where all the legal secretaries have the same nationality as the judge or AG and cabinets where none of legal secretaries have the same nationality.[68] Zhang's comprehensive study shows that between 1952–2015 more than half of the judges including AsG were educated in the French tradition and her data probably underestimates it.[69] Among the 45 AsG who have served on the Court, 26 of them (57.8%) were bred in the French legal tradition.[70] The same goes for the legal secretaries.

According to data provided by the Court, over 42% of référendaires at the Court of Justice are citizens from Belgium, France and Luxembourg (…). The population of référendaires is concentrated among a few countries, especially those with the French legal origin and in Germany. On the other hand, référendaires from the Nordic, common law and ex-socialist countries are underrepresented. (…) 79% of référendaires at the Court of Justice and 83% at the General Court were educated in law schools located in France, Belgium or Luxembourg.[71]

62 Zhang, p. 26.
63 Ibid.
64 Thanks to an anonymous legal secretary for this information.
65 Ibid.
66 Ibid.
67 Johansson, p. 12.
68 Ibid.
69 Zhang p. 36 including the graph.
70 Ibid.
71 Zhang, p. 38 and data from her Annex III.

Other authors agree with percentages cited by Zhang.[72] It is likely that some référendaires with French legal education also receive common law training, but they are probably a minority. According to data Zhang gathered on the education background of legal secretaries in the sample presented in her Annex III, 38% of current legal secretaries obtained law degrees in common law countries.[73] However, she says that because her

> data is collected from LinkedIn, it is likely that some groups are underrepresented in the samples. Law firms and other private businesses tend to rely more on headhunters who use LinkedIn to tap talents than public institutions. (…) For instance, interviewees indicate that a sizeable portion of référendaires are administrative judges from France but none of them appear in the samples.[74]

The languages spoken by the AsG and legal secretaries influence the opinions.[75] There is clearly a tendency for legal secretaries to search in their mother tongue and the languages they can easily read, thus obviously nowadays English.[76] It is extremely rare that an AG requests the translation of an article as they do not even have the time to read those in the languages they know.[77] It is probably the initial competence of an AG which shapes their opinion rather than their literature search.[78]

In conclusion, linguistically speaking, legal secretaries can have quite a lot of influence over AsG who do not speak French. Because the working language of the Court is French, the French legal tradition is dominant; this, in turn, reduces the pool of candidates and those knowing French have an obvious advantage. The same goes for AsG. Therefore, the French legal tradition could have a strong if disproportionate influence on the shaping of EU law. By way of example, in all the copyright cases in our sample, there is at least one legal secretary in the team who knows French.

Literature cited in Advocates-General opinions

Parties often cite literature in their observations and this is the first source of references which is never missed, because it is an absolute priority to reply to the parties' arguments.[79] More literature is often cited in more important cases especially if no CJEU case law exists yet or there are different conflicting theses on a point of law, but it also probably depends on the AG.[80] The AG does not cite literature which proves them wrong as their essential role is to convince the Court.[81]

There is pressure at the Court to reduce the length of the AG opinions because it increases the timings of the Court's decisions because of translations' cost and time.[82] Nowadays, AsG opinions cannot be longer than 40 pages for these reasons. Accordingly, there are fewer references to

72 Clifton & Pohjankoski (while the exact numbers may lend themselves to discussion, the trend identified by Zhang is certainly correct). See also S. Gervasoni, 'Des référendaires et de la magistrature communautaire' in *Etat souverain dans le monde d'aujourd'hui: Mélanges en l'honneur de Jean-Pierre Puissochet* (Pedone, 2008), 105 (around 50% of all the legal secretaries would be of French or Belgian nationality).

73 Zhang, p. 38.

74 Zhang, pp. 23–24.

75 Thanks to an anonymous AG for this information.

76 Ibid.

77 Thanks to an anonymous legal secretary for this information.

78 Ibid.

79 Thanks to an anonymous AG for this information.

80 Ibid.

81 Ibid.

82 Ibid.

literature in AG opinions than 20–30 years ago.[83] While this does not verify itself in the copyright law field, as we shall see below, it nonetheless shows it is even more important that researchers from other countries write in English or French to have their voice heard and get cited. If an AG stays a long time at the Court, specializes and the Court often follows them, it is problematic if the literature cited, and with it the languages in which it is written, is always the same.

Findings

'Following' the Advocate General

In the 47 cases where the AG relied on literature to deliver their opinion, the Court has followed the opinion 17 times in full,[84] 26 times in part and has not followed it in three cases, while in one case[85] it is unclear. Thus in 36.1% of the cases, the Court has followed the AG's results and argumentation on all points and in 55.3% of the cases it has followed the AG in part. By 'in full' we mean the Court adopts the same reasoning and result as the AG on all aspects of the case. By 'in part', we mean either it followed the result but not the argumentation or it followed both the result and the argumentation for some questions but not others (most of the cases are in this latter category). These two percentages combined give a rate of 91.4%.[86] This percentage is therefore similar to those found in previous research. However, it shows that it is only in roughly a third of the cases that the Court follows the AG in full. The breakdown is as follows. AsG who were followed fully: Tesauro (1), Jaaskinen (1), Wahl (1), Ruiz-Jarabo Colomer (1), Trstenjak (1), La Pergola (2), Bot (2), Cruz Villalon (2), and Szpunar (5).[87] AsG who were not followed: Kokott in *Promusicae* (1), Jaaskinen in *Airfield* (1) and Campos Sánchez-Bordona in *Renckhoff* (1). Those followed in part are: Stix-Hackl (1), Trstenjak (7), Sharpston (1), Ruiz-Jarabo Colomer (1), Kokott (1), Cruz Villalon (2), Bot (1), Szpunar (5), Saugmandsgaard Øe (1) and Campos Sanchez Bordona (3). For the cases in which the AG delivered an opinion and relied on the literature, the breakdown is as follows: Tesauro (1), Stix-Hackl (1), Sharpston (1), Wahl (1), Saugmandsgaard Øe (1), La Pergola (2), Kokott (2), Ruiz-Jarabo Colomer (2), Jaaskinen (2), Bot (3), Cruz Villalon (4), Campos Sánchez-Bordona (5), Trstenjak (8), Szpunar (12). Where an AG delivered an opinion but did not cite literature or little was cited and when so, not relied on, the numbers are as follows: Cosmas (1), Ruiz Jarabo Colomer (1), Tizzano (1), Sharpston (7), Mengozzi (2), Jaaskinen (2), Cruz Villalon (4), Saugmandsgaard Øe (2), Bot (1), Whatelet (3), Campos Sanchez-Bordona (1), Szpunar (2). It therefore appears that one AG (Sharpston) is less prone to cite literature. This is not surprising as it is rare to cite literature in common law judgments and AG Sharpston is the only British AG who delivered opinions in this sample. As to the others, the lack of literature may be owed to the simplicity of the case, for reasons of speed or other reasons (such as the propensity of the AG to not cite literature).[88] There is therefore no clear pattern emerging.

83 Ibid.

84 This number includes *Infopaq II*.

85 *Stichting the Thuiskopie,* Case C-462/09.

86 If we add *Infopaq II* where the AG was the same as for *Infopaq I* but where no opinion was delivered but where the court followed the reasoning and answers given by the AG in *Infopaq I*, the numbers are 17 cases followed in full so 35,4% and combined percentage of 89,5%. Note that the 2004 database cases namely the 3 *Fixtures marketing* cases and *BHB v William Hill* are counted only once as the questions and answers from the AG and Court are substantially the same in all cases.

87 In the following cases *Metronome Music, Foreningen af danske Videogramdistributører, Egeda v Hoasa, Uradex, BSA, PPI, Donner, Usedsoft, ACI Adam, Deckmijn, Microsoft v Mibac, VOB, Verwertungsgesellschaft Rundfunk v. Hettegger Hotel Edelweiss, Stichting Brein v Ziggo, Bastei Lubbe* and *Tom Kabinett*.

88 See above.

As we have explained above, there is a de facto in-court specialization of judges and AsG. This seems confirmed in our sample as well. Those AsG who had the most copyright cases over the years are Szpunar (12), Cruz Villalon (9), Trstenjak (8) and Sharpston (8).[89] So 4 out of 18 AsG who delivered opinions in copyright cases had a big chunk of the 75 cases namely 37 or 49.3%. Overall, Szpunar is followed in full in five cases and followed in part in 5 but out of those 5, the Court follows him in full on the vast majority of questions. In the other two cases where he delivered an opinion, he did not cite literature. Cruz Villalon is followed in full in two cases, followed very partially in two cases and does not cite literature in five cases. Trstenjak is followed in full only once (*Phonographic Performance (Ireland)*) and in part the seven other times (a mixture of cases where the Court follows the result but not the arguments and cases where the Court agrees with very little). As Sharpston only cites literature in one of her cases, we did not check how often the Court follows her opinions. However, they have not been more followed whether in full or in part than other AsG, and the same can be said for any other AG. Indeed, the statistics do not tell us much as the Court did not follow in full only three opinions out of 47 and most other AsG only delivered a handful of opinions except Campos (2 not followed, 3 followed in part). So, it cannot be said that some AsG are more persuasive than others. That said, in recent years, AG Szpunar has almost had the lion's share of opinions (out of the 30 delivered since he was appointed, he had 12) and in all cases where he cited literature he was followed either in full or in part and when in part on most questions in full. Undoubtedly, AG Szpunar exerts a considerable influence on the recent copyright case law. So de facto specialization, as with AG Szpunar, may exert an influence on the Court.

While, as we said above, it is not possible to find out the allocation of cases to each legal secretary in our sample and whether a de facto specialization occurred, very few legal secretaries in our sample (6 out of 74 (8.1%) who worked for the 18 AsG over the period) specialized or had some knowledge of intellectual property prior to coming to the Court.[90] They worked, respectively, for AG Cruz Villalon (from 2011–2015) who delivered eight opinions during that period, Ruiz Jarabo Colomer (from 2005–2009) who delivered only three opinions two of which during that period, one in 2006 and one in 2008, and AG Whatelet (2014–2017) who only delivered 3 opinions 2 of which during that period none of which cite literature, AG Kokott (from 2003 until now) who delivered opinions in 2007 and 2011 and for AG Sharpston (from 2018) but she has not delivered an opinion in the field of intellectual property since 2013. So it may be that the expertise of the legal secretaries is being utilized by Ruiz Jarabo Colomer (in 2006 and 2008 he delivered two opinions one of which (*Uradex*) he was followed in full and the other he was followed in part (*Sony Music Entertainment*[91])), Wathelet (the Court does not follow the opinion at all in *GS Media*, but follows at least its result in *Soulier* and *Levola*[92]) and Cruz-Villalon was followed in full (*ACI Adam* and *Deckmijn*[93]) and in part in (*Scarlet* and *UPC Telekabel Wien*). As to Kokott, she only delivered two opinions, one where she was followed in part (*FAPL*) and one where she was not (*Promusicae*).[94] Sharpston delivered her last opinion in a copyright case in 2013.

89 Total numbers, i.e. whether citing literature or not.

90 3 unknown specialization.

91 This case was delivered in grand chamber.

92 Note that the AG in *GS Media* had arrived at a correct result according to copyright principles while the Court did a pig's breakfast of the issues. In *Levola* and *Soulier*, the AG also arrived at a sensible conclusion although some developments were unwarranted such as in *Levola*, the reliance on trade mark law.

93 *Deckmyn* was a Grand Chamber case.

94 Both cases were decided in Grand Chamber. See below in this section what is special about cases decided in Grand Chamber.

The influence of the judge rapporteur is also not noticeable. In the 16 cases where the Court followed the AG in full, Malenosvky was the judge rapporteur in 5 cases and Ilesic in 3; all the others were rapporteurs in only one case, except Puissochet who was in two. It is hard to deduce anything from this, e.g., that it is a result of judge specialization. Also the period of time is very long and many judges and AsG only served part of the period. By way of example, in the three cases where the Court did not follow the AG at all, Malenovsky was rapporteur in two cases and Ilesic in one. So, the de facto specialization of these two judges does not seem to affect the result.

Although the sample is small, there does not appear to be a bias against the four female AsG in terms of whether the Court follows them less often than male AsG. Out of four opinions not followed, 1 was female, 3 were male, out of the 16 followed in full 8 males were followed (some males more than once), one female (once) and in the followed in part we have four females and six males, with one female followed in part 7 times (Trstenjak) and one male 5 times (Szpunar), all the others 1–3 times. Since there are only four female AG out of 18 AsG and two of them had only one or two cases it is hard to say whether there is or not a non-gendered biased distribution of copyright cases in terms of their complexity. If we take the number of questions as an admittedly imperfect proxy of the complexity of cases (there could be one or two very difficult questions and several easy questions), certainly, most of Trstenjak's cases had many questions. Kokott had only two cases, one with one question and the other with the most of all (*FAPL*). Sharpston had cases which had a relatively low number of questions, i.e., between one and five. Stix-Hackl only had four cases of the same nature with the same questions (the 2004 database cases) but they were difficult cases as the first to interpret the Directive 96/9 on the legal protection of databases. Also, one has to see this in relation to the de facto AG specialization and their term at the Court. Stix-Hackl was there from 2000–2006, Trstenjak from 2006 to 2012, Kokott since 2003 and Sharpston since 2006 and are both still there. Stix-Hackl arrived where there were still few cases in the field of copyright referred to the Court and left her AG role roughly two years after having delivered her opinions in the database cases so it is very unlikely that she could have had other copyright cases as the opinion in *Uradex* was delivered in February 2006. Kokott probably was not given more copyright cases as the other AsG were 'de facto specializing' and she did not.

There are several reasons why AsG may be more or less followed than others. "First, some AsG may have a better ability to predict or anticipate the result of the case."[95] Second, some AsG may be more persuasive owing to "the *perceived/expected* quality of their opinions, as opposed to their *real/intrinsic* quality. This may be due to the AG's personal charisma among his colleagues, reputation for hard work, diplomatic/tactful language, number of years of experience at the ECJ, etc."[96] Third, it has been noted that Grand Chamber cases are generally given to the Court in cases where a totally new question arises or the case law is unclear and the Court may thus disagree more often with an opinion.[97] Fourth,

> some AsG may be more respectful of precedent, while others may be more willing to urge the Court to overturn precedent--a more risky approach. (…) Fifth, one could imagine that some cases are not as risky as others. AsG may have better chances in fairly technical cases (typically involving statutory interpretation) while other cases may be more difficult to approach - for example (a) cases involving subjective judgment calls on non-legal points and (b) one-of-a-kind cases that do not form part of a broader line of case-law.[98]

95 Ritter, p. 767.
96 Ritter, pp. 767–768. See also Sadl & Sankiri.
97 Arrebola et al., at 97ff, 106.
98 Ritter, p. 768.

For instance, AG Jacobs was not followed in a number of cases and in some of them he must have realized the Court was probably not going to follow him. He must have also therefore rendered these opinions thinking that the Court may with the passing of time follow his ideas.[99] This also shows the dialectical dialogue between the Court and its AsG as already mentioned.[100]

It is beyond the scope of this article to check the reasons why the Court may not have followed the AsG in copyright cases. However, one reason is easily checked it is whether the case was decided in Grand Chamber or not. There are 13 cases in our 47 decisions (16 cases if one adds the 3 other 2004 database cases) where a Grand Chamber had to decide: in only one the Court does not follow the AG, in 8 it follows it in part and in 6 it follows it in full, so this statement is not verified here. It is also easy to check whether the Court follows the opinions on certain copyright topics rather than others. The statistics show that the topics are all very different so this is not a reason.

Literature

An important factor influencing the AsG opinion is the academic literature they read. The citations are of course a proxy because AsG may be influenced by other sources which they do not cite, including academic literature cited by the parties (but which AsG do not refer to in their opinions) along with their psychological and sociological background and beliefs. Even if judges are supposed to be independent and impartial,[101] it is impossible for anyone to fully eliminate all unconscious bias all the time. Most AsG cite literature at least in some of their copyright cases. There are only four out of 18 AsG who do not cite any literature in any of their opinions on copyright cases, namely Cosmas (1), Mengozzi (1), Tizzano (2) and Wathelet (3). The lack of citations is probably owed to the fact that most of these AsG only had a handful of copyright cases assigned to them over their career. Also, they do cite literature in their opinions in cases dealing with other issues than copyright. The statistics show that AsG cite literature in 62.7% of the cases (47 out of 75) and rely on it in 80.8% (38 out of 47) of these cases. The influence of the literature cited is therefore pervasive.

Are AsG citing more literature in more difficult cases? We checked this by the imperfect proxy of the number of questions. One could also check if the topic has been the subject of a similar question before the Court previously. For this question, we examined all 75 decisions. Overall, the trend is to cite more when there are more questions or it is a new topic, that said, there are considerable differences between the different AsG. This confirms what an anonymous AG also said. *Infopaq I* tops the list with 13 questions and AG Trstenjak cites a lot of literature. On the other hand, *FAPL* was equivalent if not longer as there were ten questions with many having sub-questions although some of the questions were purely on competition issues. However, AG Kokott cites almost no literature (three references only) and relied on none. AG Stix-Hackl had 3, 5, 3 and 11 questions (respectively, in the four 2004 database cases with most overlapping) and it was the first ever case on database so it is normal there were a lot of references and a lot relied on. In *Padawan*, AG Trstenjak also cites a lot of literature with only five questions but it was the first case asking the Court to interpret Article 5(2) of the Directive 2001/29.[102] Certainly, AG Szpunar cites more in cases with more questions except in *Mc Fadden* (nine questions) where he relies only on one reference

99 Ritter, p. 770.

100 Tridimas.

101 Art. 252 and 253 TFEU.

102 Art.5 (2) (a) and (b) provide exceptions for private copying.

and in *Egeda* which has two questions but where he cites a lot. AG Cruz Villalon does not cite much literature whatever the number of questions except in *Scarlet*, *Deckmijn*, *ACI Adam* and *UPC* but even then he does not cite much; all the cases where he does not cite literature are later ones except *Football Dataco*. Likewise, AG Bot never cites much even in *SAS Institute*, which had nine questions. AG La Pergola in his two cases has only one question but cites a lot of literature. For the latter, this seems normal as his cases occurred at the start of the preliminary references in the field of copyright (second and fourth cases) and the EU copyright case law was scarce. As already mentioned above, AG Sharpston only cited literature in one case in the sample.

Female AsG do not cite nor rely more on literature than male AsG.

To check the influence the literature has on AsG, it is also interesting to find out which authors are the most cited. S. von Lewinski is the top author and she is cited 93 times (alone or as a co-author), M. Leistner (47, 46 of which in the four 2004 database cases), M. Walter (27), J. Gaster (22 all of which in the 2004 database cases), S. Ricketson (20), B. Hugenholtz (17), J. Reinbothe (17), M. Vivant (11), J. Ginsburg (9) and A. Lucas (9). These numbers count all references whether relied on or not and include all four database cases. Those who cite the most, generally, are AG Trstenjak and AG Szpunar. Trstenjak cites mostly from S. von Lewinski (11) either writing alone or with J. Reinbothe or M. Walter. Then come Hugenholtz (3) and Ricketson (3 alone or as co-author). Szpunar cites Markiewicz (alone or as co-author) 4 times, M. Vivant alone or with co-author (4), S. von Lewinski (4) and A. Lucas (3, alone or as co-author). These numbers in the opinions of these two AsG do not count repeat citations in the same opinion. The frequency of these authors in these AsG's opinions may be owed to the topics. It does not seem useful to check which authors, books or articles were the most cited in cases in which the Court followed the opinions in full because the topics are very different so opinions are probably bound to cite different literature.

The frequency of the most cited authors overall is not surprising as they have written reference books in the field of copyright law, especially international copyright law, and are also very prolific, in general. However, it could also be that they are better known and older (except M. Leistner) in the field of copyright law and thus more cited. All those references are written in English, German and French, some in Dutch (B. Hugenholtz), indicating that the most influential languages in the AG opinions seem to be English, German and French, as we see in the next section.

Languages

In terms of the language of the academic literature cited and relied upon, the breakdown is as follows: in terms of occurrences, not number of different authors/publications, the AsG relied on 218 academic literature sources[103] of which 73 references were in English (33.5%), 60 in German (27.5%), 52 in French (23.8%), 16 in Spanish (7.3%), 7 in Italian (3.2%), 5 in Dutch (2.3%) and 5 in Polish (2.3%). There is no literature cited in the other EU languages, i.e., Bulgarian, Croatian, Czech, Estonian, Latvian, Lithuanian, Greek, Finnish, Swedish, Danish, Hungarian, Maltese, Slovak, Romanian, Portuguese and Slovene. This means 84.8% of sources are in English, German and French. These numbers relate to the language of the source (article, book, etc.) and not the nationality of the author. There are times where authors publish in English or another

103 Note that these numbers count only once the same reference cited more than once in each AG opinion. These numbers do not count the references in other *Fixtures Marketing* cases except one (*Fixtures Marketing v OPAP*) of these 4 cases (which had the highest number of citations) nor in the *BHB* case as the references are the same in these cases because the facts and thus opinions correspond largely as the questions were the same in these cases.

language but are not British or Irish. What we aim to ascertain is the language of the literature to see which language is most influential. It is true that there is bound to be more literature in the Member States with the most population but there is bound to be at least one recent textbook or some relevant sources on copyright in the small countries.

Therefore, most languages and thus Member States are not represented at all in the literature cited by the AsG and indeed many are not represented either in the legal secretaries' languages and nationalities. It may also be because the topics are not liable to have been discussed by all copyright experts in all EU Member States but this is improbable because there is a perfect match virtually each time between the languages spoken by the legal secretaries and AG, although collectively the legal secretaries know a few more languages than the AG.[104] This confirms the hypothesis that the languages spoken by the AsG and the legal secretaries are very important and influence the sources on which they rely owing to lack of time to ask for translations of other articles if they even have the time to ask for a list of references to the Court's library.

That said, interestingly, the vast majority of the references that the AsG cite is not in their mother tongue. This shows also in the general statistics where English, French and German dominate. Only Sharpston cites exclusively in English (though she is not representative as she only cites literature in one case) while Bot cites exclusively in French, except two references in English in one case.[105] Kokott also relies a little bit more on German-language sources than other sources. Cruz Villalon barely refers to Spanish sources. Szpunar relies more on English and French-language sources. Even more notable is the fact that none of the AsG originating from small Member States cite literature in their mother tongue. There have only been four AsG originating from small countries, namely Jaaskinen (Finnish), Wahl (Swedish), Trstenjak (Slovene) and Saugmandsgaard Øe (Danish) who cited literature in their opinions in copyright cases. Saugmandsgaard Øe cites only one academic reference in English in all his opinions. Jaaskinen cites nine academic references in English and one in French; Wahl, who delivered only one opinion, cites in French and English, Trstenjak cites mostly in German and English, but also French and Spanish. Therefore, none of the AsG coming from small countries cite in their own language. However, they all had at least one legal secretary of their nationality or one that spoke their mother tongue.

Of course, the parties also often cite literature in their arguments and if these were influential, the legal secretary or AG would cite them in their opinion. But sometimes the AG or legal secretary can adopt the argument without citing the reference because they cannot access it or can access it but cannot read it as it is not in a language they know. This is interesting because in cases where the parties come from small countries or countries where the AG is not represented, none of the AG opinions cites literature from those countries namely *Fixtures Marketing* (Sweden and Finland), *SCF* and *Microsoft v. Mibac* (Italy – one Italian author but the opinion does not rely on it and the article is written in English), *Infopaq* (Denmark), *OSA* (Czech), *Ranks* (Latvia) and *Syed* (Sweden).

It is interesting to see which languages were most represented in the AG opinions which the Court followed in full to see if a trend emerges. In the 16 cases where the Court followed the

104 Only in the 2004 database cases are there references in Dutch whereas none of the legal secretaries nor the AG speaks this language. However, Stix-Hackl was Austrian so it is possible she could read Dutch as German and Dutch are very closely related. Similarly, Trstenjak knows German and refers to a Dutch source in *Infopaq I*.

105 Interestingly, in the three cases that AG Bot delivered an opinion in design cases (*Flos*, case C-168/09, *Easy Sanitary Solutions*, Joined Cases C-361/15 P and C-405/15 P and *Nintendo v. Big Ben Interactive*, Joined Cases C-24/16 and C-25/16), he also cited exclusively in French (whether or not he relied on the literature he cited).

AG fully, the references relied on by the AG are in the vast majority in French (27) (46.5%), then in English (22) (37.9%), German (5) (8.6%), Italian (3) (5.2%) and Spanish (1) (1.7%). This does not count *Infopaq II*; if *Infopaq I* is added to account for *Infopaq II* then the total numbers are: 33 in English, 28 in French, 9 in German, 3 in Italian, 2 in Spanish and 1 in Dutch. It is clear that French dominates more than English[106] and German and that English overtakes German, and quite considerably, compared to the proportions above. That said, overall, they are quite similar in pattern. The lesser percentage of German references is probably owed to the fact that in those cases where German is cited a lot the Court did not follow the AG or followed its opinion only in part. Therefore, Zhang's claim that legal secretaries from francophone countries have greater influence is verified to a great extent in EU copyright law.

Conclusion

Several interesting conclusions can be drawn from this research. There does not seem to be an AG dominating in terms of being more followed than others over the period. The Court is also not following more or less an AG because of its gender, because it is a Grand Chamber case or because of the topic. In view of Zhang's research that legal secretaries are more conservative and exert a strong influence on the AG, it is refreshing to see that the Court follows the AG in full in only about a third of copyright cases. It is also reassuring because of the pressures AsG can sometimes receive from their governments. Because AsG give their opinions alone in their personal capacity, they are exposed compared to the other judges at the Court. Therefore, it is easier for governments to put pressure on them especially if their future career depends on them.[107] Since the Court is influenced by them, judicial independence could be at stake. This does not seem verified in our sample. That said, it is clear that AG opinions are clearly influential to some extent because in 91.4% of cases the Court has followed them in full or in part. Also, in recent years, AG Szpunar has had an increasing number of copyright cases, showing specialization in the area of copyright law has grown and the Court has always followed him either a lot in full and in part and when in part it followed him in full in relation to the argumentation on many questions in the ten cases where he cites literature and the Court followed at least the outcome of his opinions in the two cases where he does not cite any literature.[108]

Therefore, the background and languages of the AG and the legal secretaries clearly exert some influence on the result and even the argumentation of the cases. Our findings show that all cabinets had at least one legal secretary (and often more) who knew French or were French-speaking. French is also the third most frequent language in the literature relied on by the AsG in copyright cases and the first when the Court follows the opinions in full. This is in line the findings of A. Zhang who had found that most legal secretaries are trained in the French legal tradition and therefore have a relatively homogenous background.[109] It is problematic as that means that the French legal tradition dominates and it has been shown that it favors the State rather than individual liberty and also tends to provide less secure property

106 Unless *Infopaq II* is added and it skews things slightly as one would have to only count the references relied on concerning the relevant parts of art. 5(1) Directive 2001/29.

107 C. Carrubba & M. Gabel, *International Courts and the Performance of International Agreements: A General Theory with Evidence from the European Union* (Cambridge: CUP, 2015) 93-95 have highlighted the fact that the "institutional setting does not fully insulate the AG from potential political pressure."

108 Namely *Vcast, Case* C-265/16 and *STIM v Fleetmanager, Case* C-753/18.

109 Zhang, pp. 38–39

rights protection to investors.[110] There could also be other aspects of French legal culture which could influence the legal secretaries and in turn the literature they cite and thus the arguments the AsG rely on. More research needs to be done on this aspect.

It does not seem on the other hand that the AsG and legal secretaries' increasing caseload since 2017 have overall compromised the quality of the decisions. In that period, in our sample, most opinions (two thirds) cite academic literature. That said, that period has been dominated by AG Szpunar and AG Campos who between themselves delivered all but one opinion. It can be easily agreed that AG Szpunar has mostly delivered sound AG opinions and indeed has been rightly followed in most. On the other hand, AG Campos' opinions so far overall have been of less quality (e.g., *Renckhoff* and *Brompton*) and the Court has, rightly, not followed him. This shows that the Court can make up its own mind and the influence of the AG in copyright cases is not all pervasive. It could also mean that AG Campos and his legal secretaries have suffered from this increased workload.

By far the most interesting conclusion is that the languages spoken by the AsG and the legal secretaries influence enormously if not totally the literature they cite; 84.8% of references cited are in English, French or German and it rises to 93% in cases followed in full by the Court. We conclude that, in view of the weight English, French and German carry, it is advisable either that authors from Member States whose language it is not, publish their research also in one of those languages in open access or post a preprint on, e.g., ssrn.com. Automated translation tools such as Google Translate and Deep L can help. They have become extremely good with often near perfect translations. Alternatively or in addition, there could be a new rule forcing judges/AsG, when there are more than one candidate whom they would take, to take those from other EU countries than theirs or from countries which have less used languages to increase the diversity of the body of legal secretaries. However, it is unlikely that the way legal secretaries are chosen is going to change soon. If such a rule cannot be adopted, other means to achieve language parity in the citations are possible. An idea to break French legal culture's dominance would be to change the working language of the Court from French to, e.g., English.[111] With the departure of the UK from the EU, it seems even less likely than before. Another idea would be that legal secretaries and AsG use automated translation tools to obtain translations in a language they know of relevant articles posted online in other languages of the EU. It is hoped that in future, members of the Court will take advantage of technology to read literature in more languages as it can only improve the quality of the arguments and thus solutions to EU copyright cases and more generally EU case law.

Future avenues of research include using the methodology and factors of literature, language and gender used in this chapter in other areas of EU case law than copyright law to see if similar or dissimilar findings emerge. Additionally, it can be checked whether the AG was followed fully, in part or not followed in the other 26 copyright cases of our sample where the AG did not cite literature to see if our statistics hold. More factors can be used on the entire copyright case law, such as seniority and career background of the AG,[112] to check if they influence the Court.

110 Zhang, pp. 55–56.

111 Zhang, p. 56.

112 Sadl and Sankiri found these factors were influential in their sample.

Table

Nb	*Case name, date of opinion, whether followed in full (F), in part (FIP), not followed (NF)*	*Nb. of questions referred*	*AG's name*	*Chamber, judge rapporteur and nb of judges*	*Languages of AG*	*Languages of legal secretaries (where known, languages are changed when dates according to the legal secretaries date of employment)*	*References relied by the AG with approval by language*
1	Metronome Music, 22 January 1998 (F)	1	Tesauro	Grand chamber, Puissochet, 13 j.	I	I, UK, F, D	1 F, 1 I
2	Foreningen af danske Videogramdistributører, 26 May 1998 (F)	1	La Pergola	Grand chamber, 11j., Puissochet	I, E, UK	I, UK, F, D	8 F, 1 I
3	Butterfly Music. 23 March 1999	1	Cosmas		GR		No literature cited
4	Egeda v Hoasa, 9 September 1999 (F)	1	La Pergola	6th ch., 3j, Kapteyn	I, E, UK		3 UK, 4 F, 1 E, 1 I, 1 D
5	Landhessen v Ricordi 28 February 2002	1	Ruiz-Jarabo Colomer		E	UK, F, D, E	No literature cited
6	SENA v NOS, 26 September 2002	3 and Q2 has 5 sub-Q	Tizzano		I		No literature cited
7	Lagardère Active Broadcast v. SPRE & GVL, 21 April 2005	3	Tizzano				No literature cited
8	Fixtures Marketing v OPAP (FIP), 8 June 2004	3	Stix-Hackl	Grand chamber, 9 j., Lenaerts	D, UK, F(?)	I, UK, F, D, HR, E, HU	7 D, 7 UK 4 NL, 4 I, 2 F
9	Fixtures Marketing v Svenska Spel, 8 June 2004 (FIP)	5	Stix-Hackl	Grand chamber, 9 j. Lenaerts			Same authors as those cited in the First Fixtures Marketing case
10	Fixtures Marketing v Oy Veikkaus, 8 June 2004 (FIP)	3	Stix-Hackl	Grand chamber, 9 j., Lenaerts			Same authors as those cited in the First Fixtures Marketing case

11	BHB v William Hill, 8 June 2004 (FIP)	11	Stix-Hackl	Grand chamber, 9 j. Lenaerts			Same authors as those cited in the First Fixtures Marketing case
12	Uradex, 14 February 2006 (F)	1	Ruiz-Jarabo Colomer	3rd ch., 5 j., Malenovský		I, UK, F, D, E, PT	1 F
13	Laserdisken, 4 May 2006	2	Sharpston		UK, F, P, E		No literature cited
14	SGAE v Rafael hotels, 13 July 2006 (FIP)	3	Sharpston			UK, DK, F, D, E, GR	2 UK
15	Promusicae (NF) 18 July 2007	1	Kokott	Grand chamber, 13 j., Malenovsky	D, UK, F	F, UK, D, CR, H, E, I, GR	1 UK, 3 D
16	Peek & Cloppenburg, 17 January 2008	2 Q and Q1 has 2 sub-Q	Sharpston				1 UK but not relied on
17	Sony Music Entertainment v Falcon Neue Medien, 22 May 2008 (FIP)	2 and Q2 has 2 sub-Q	Ruiz-Jarabo Colomer	Grand chamber, 13 j., Arestis	E	E, UK, F, D	1 F, 10 D, 1 UK
18	Directmedia, 10 July 2008	1	Sharpston				No literature cited
19	Infopaq I, 12 February 2009 (FIP)	13	Trstenjak	4th ch., 5 j., Malenovsky	Slovenian, UK, D, F and I	I, E, UK, F, D, NO, PL	1 F, 11 UK, 1 E, 4 D, 1 NL
20	Foundation Gala-Salvador Dali, 17 December 2009	2	Sharpston				
21	Padawan, 11 May 2010 (FIP)	5	Trstenjak	3rd ch., 5 j., Malenovsky			11 D, 12 E, 4 UK
22	Bezpečnostní softwarová asociace – Svaz softwarové ochrany v. Ministerstvo kultury (F)	2	Bot	3rd ch, 5 j., Arestis			2 F

(*Continued*)

Nb	*Case name, date of opinion, whether followed in full (F), in part (FIP), not followed (NF)*	*Nb. of questions referred*	*AG's name*	*Chamber, judge rapporteur and nb of judges*	*Languages of AG*	*Languages of legal secretaries (where known, languages are changed when dates according to the legal secretaries date of employment)*	*References relied by the AG with approval by language*
23	Stichting de Thuiskopie v. Mijndert van der Lee et al., 10 March 2011 (unclear)	2	Jääskinen	3rd ch., 5 j., Malenovsky	FI, UK	PL, UK, F, FI	1 UK
24	FAPL v QC Leisure, 3 February 2011 (FIP)	10 with many having 2, 3 or more sub-Q	Kokott	Grand chamber, 11 j., Malenovský		D, F, UK, I, GR	2 D, 1 UK but not relied on
25	Airfield, 17/3/2011 (NF)	2	Jaaskinen	3rd ch., 5 j., Malenovsky			1 F
26	Scarlet v Sabam, 14 April 2011 (FIP)	2	Cruz Villalón	3rd ch., 5 j., Malenovsky	E, D, UK	E, F, UK	2 E, 9 F, 3 UK, 1 D
27	Painer, 12 April 2011 (FIP)	4 with 2Q one with 2 sub-Q and one with 3 sub-Q	Trstenjak	3rd ch., 5 j., Malenovský			4 D, 1 UK
28	Luksan, 6 September 2011 (FIP)	4 with one with 2 sub-Q	Trstenjak	3rd ch., 5 j., Malenovský			3 D, 2 UK
29	Football Dataco v Yahoo, 15 December 2011	2 and one with 3 sub-Q	Mengozzi				No literature cited

30	Phonographic Performance (Ireland) Ltd, 29 June 2011 (F)	5	Trstenjak	3rd ch., 5 j., Malenovský		2 D, 4 UK
31	SCF v Marco del Corso, 29 June 2011 (FIP)	5	Trstenjak	3rd ch., 5 j., Malenovský		3 D, 6 UK
32	Bonnier	2	Jääskinen			No literature cited
33	TV2 Danmark A/Sv, 17 January 2012 (FIP)	3 with Q3 with 7 sub-Q	Trstenjak	3rd ch., 5 j., Malenovský		4 D, 1 UK
34	SAS Institute, 29 November 2011 (FIP)	9	Bot	Grand chamber, 13 j., Arestis		1 F
35	Donner, 29 March 2012 (F)	1	Jääskinen	4th ch, 5 j., Schiemann		1 UK
36	Usedsoft, 24 April 2012 (F)	3	Bot	Grand chamber, 11 j., Lenaerts		3 F, 1 UK
37	VG Wort	4 with 2 Q have 2–3 sub-Q	Sharpston			No literature cited
38	Amazon.com	4 with 2 with 2–3 sub-Q	Mengozzi			No literature cited
39	Nintendo v PC Box	2	Sharpston			No literature cited
40	OSA, 14 November 2013	3	Sharpston			No literature cited
41	Football Dataco v Sportradar, 21 June 2012	1	Cruz Villalon			No literature cited
42	UPC Telekabel Wien, 26 November 2013 (FIP)	4	Cruz Villalón	4th ch., 5 j., Malenovský		1 UK, 2 D
43	ACI Adam, 9 January 2014 (F)	3 with Q2 with 2 sub-Q	Cruz Villalon	4th ch, 5 j., Malenovský	I, R, UK, F, D RU, PT	6 F

(*Continued*)

Nb	*Case name, date of opinion, whether followed in full (F), in part (FIP), not followed (NF)*	*Nb. of questions referred*	*AG's name*	*Chamber, judge rapporteur and nb of judges*	*Languages of AG*	*Languages of legal secretaries (where known, languages are changed when dates according to the legal secretaries date of employment)*	*References relied by the AG with approval by language*
44	Deckmijn, 22 May 2014 (F)	3	Cruz Villalon	Grand chamber, 13 j., Prechal			2 UK, 2 D
45	T U Darmstadt v Ulmer, 5 June 2014	3	Jääskinen				No literature cited
46	Art & Allposters, 11 September 2014	2 with 1 Q with 3 sub-Q	Cruz Villalón				No literature cited
47	Copydan, 18 June 2014	6 Q with 3 Q have 2–3 sub-Q	Cruz Villalón				No literature cited
48	Dimensione Direct Sales, 4 December 2014	3	Cruz Villalón				No literature cited
49	HP v Reprobel, 11 June 2015	4	Cruz Villalón				No literature cited
50	Austro-Mechana Gesellschaft v Amazon, 17 February 2016	1	Saugmandsgaard Øe			DK, UK, F, E, D, H	No literature cited
51	Reha Training, 23 February 2016	4	Bot				No literature cited
52	Egeda v Administración del Estado, 19 January 2016 (FIP)	2	Szpunar	4th ch, 5 j., Malenovský	PL, UK	D, UK, E, F, PL	1 UK, 2 F
53	GS Media, 7 April 2016	3 with a with 2 sub-Q and 1 with 3 sub-Q	Wathelet		F, NL, D, GB, I		No literature cited

54	Mc Fadden, 16 March 2016 (FIP but only disagrees on one of 9 Q)	9 Q with 2 with 2 sub-Q	Szpunar	3rd ch., 5 j., Malenovský			1 UK
55	Microsoft v Mibac, SIAE et al., 4 May 2016 (F)	2	Wahl	2nd ch., 5 j., Ilešič	SW, UK	NO, DK, SE, FI, I, UK, F, D	UK and F but not relied on
56	Ranks, 1 June 2016 (FIP)	2	Saugmandsgaard Øe	3rd ch., 5j., Vilaras			1 UK
57	Montis Design, 31 May 2016 (FIP)	3	Campos Sánchez-Bordona	3rd ch, 5 j., Malenovský	E	E, UK, D, F	3 UK
58	VOB, 16 June 2016 (F)	4	Szpunar	3rd ch., 5 j. Malenovský			7 UK
59	Soulier, 7 July 2016	1	Wathelet				No literature cited
60	Verwertungsgesellschaft Rundfunk v. Hettegger Hotel Edelweiss, 25 October 2016 (F)	1	Szpunar	2nd ch., 5j., Jarašiūnas			2 UK, 1 F
61	ITV v TV Catchup, 8 September 2016	5 with 1 Q with 3 sub-Q	Saugmandsgaard Øe				No literature cited
62	Filmspeler, 8 December 2016	4	Campos Sánchez-Bordona			E, UK, D, F	No literature cited
63	Stichting Brein v Ziggo, 8 February 2017 (F)	2	Szpunar	2nd ch. 5j., Ilešič			1 UK
64	Vcast, 7 September 2017	2	Szpunar				No literature cited
65	Renckhoff, 25 April 2018 (NF)	1	Campos Sánchez-Bordona	2nd ch. 5j., Ilešič			2 UK
66	Bastei Lubbe (F), 6 June 2018	2	Szpunar	3rd ch. 5j., Malenovský			1 UK
67	Levola, 25 July 2018	2 with 4 sub-Q each	Wathelet				No literature cited

(*Continued*)

Nb	*Case name, date of opinion, whether followed in full (F), in part (FIP), not followed (NF)*	*Nb. of questions referred*	*AG's name*	*Chamber, judge rapporteur and nb of judges*	*Languages of AG*	*Languages of legal secretaries (where known, languages are changed when dates according to the legal secretaries date of employment)*	*References relied by the AG with approval by language*
68	Syed, 3 October 2018 (FIP)	2	Campos Sánchez-Bordona	4th ch., 5 j., Jürimäe			1 D, 3 UK
69	Funke Medien, 25 October 2018 (FIP)	3	Szpunar	Grand chamber, 11j., Ilešič			3 F, 1 PL, 1 UK
70	Pelham, 12 December 2018 (FIP but does not follow only 1 out of 6 Q)	6	Szpunar	Grand chamber, 11j., Ilešič			2 PL, 1 F
71	Spiegel Online, 10 January 2019 (FIP but again follows on most Q),	6	Szpunar	Grand chamber, 11 j., Ilešič			4 F, 2 PL
72	IT Development SAS v. Free Mobile SAS, 12 September 2019 (FIP)	1	Campos Sanchez Bordona	5th ch., 5 j., Jarukaitis			2 F
73	Tom Kabinett, 10 September 2019 (F)	4	Szpunar	Grand Chamber, 13 j., Ilesic			1F
74	STIM v Fleetmanager Sweden, 15 January 2020	2	Szpunar				No literature cited
75	Brompton, 6 February 2020	2	Campos Sanchez Bordona				No literature cited

References

C. Arrebola, A.J. Mauricio & H. Jimenez Portilla, "An Econometric Analysis of the Influence of the Advocate General on the Court of Justice of the European Union", (2016) 5(1) *Cambridge Journal of International and Comparative Law* 82–112.

M. Bobek, "The Court of Justice of the EU", in A. Arnull & D. Chalmers (eds.), *The Oxford Handbook of European Union Law* (Oxford: Oxford University Press, 2015).

C. Carrubba & M. Gabel, *International Courts and the Performance of International Agreements: A General Theory with Evidence from the European Union* (Cambridge: CUP, 2015).

M-J. Clifton & P. Pohjankoski, "Administering European Justice: The Origins and Role of Legal Secretaries at the Court of Justice of the European Union and the EFTA Court", *The International Trade Law Review*, 5th edition, September 2019, available at https://thelawreviews.co.uk/edition/the-international-trade-law-review-edition-5/1197823/administering-european-justice-legal-secretaries-referendaires.

M. Favale, M. Kretschmer & P. Torremans, "Is there an EU Copyright Jurisprudence? An Empirical Analysis of the Workings of the European Court of Justice" (2016) 79(1) *Modern Law Review* 31–75.

M. Favale, M. Kretschmer & P. Torremans, "Who is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law" (2020) 83(4) *Modern Law Review* 831–860.

S. Gervasoni, « Des référendaires et de la magistrature communautaire », in *Etat souverain dans le monde d'aujourd'hui : Mélanges en l'honneur de Jean-Pierre Puissochet* (Pedone, 2008), 105.

R. Greaves, "Judge Edward Acting as Advocate General", in M. Hoskins and W. Robinson (eds), *A True European: Essays for Judge David Edward* (Oxford: Hart Publishing, 2003), 98.

A. Huyue Zhang, "The Faceless Court" (2016) 38 *University of Pennsylvania Journal of International Law* 71, available at https://scholarship.law.upenn.edu/jil/vol38/iss1/2/

M. Johansson, "The Role and Importance of Legal Secretaries", *Competition Law Insight*, 3 July 2007, pp. 11–13.

S. Kenney, "Breaking the Silence: Gender Mainstreaming and the Composition of the European Court of Justice" (2002) 10 *Feminist Legal Studies* 257–270.

A. Lazowski, "Advocates General and Grand Chamber Cases: Assistance with the Touch of Substitution" (2012) 14 *Cambridge Yearbook of European Law Studies* 635.

K. Mortelmans, "The Court Under the Influence of its Advocates General: An Analysis of the Case Law on the Functioning of the Internal Market" (2005) 24 *Yearbook of European Law* 127C.

C. Ritter, "A New Look at the Role and Impact of Advocates-General—Collectively and Individually" (2006) 12 *Columbia Journal of European Law* 751.

S. Robertson, "How often Does the ECJ follow Advocates General? Or Should that be CJEU?", Out-Law Analysis, 18 October 2010, available at https://www.pinsentmasons.com/out-law/analysis/how-often-does-the-ecj-follow-advocates-general-or-should-that-be-cjeu

E. Rosati, *Copyright and the Court of justice of the European Union* (Oxford: OUP, 2019).

E. & CM. Rosati, "Data-Based Case Law Applied to EU Copyright (1998–2018): A Quantitative Assessment" (2019) *IPQ* 196–223.

U. Sadl & S. Sankiri, "The Elusive Influence of the Advocate General on the Court of Justice: The Case of European Citizenship" (2017) 36 *Yearbook of European Law* 421–441.

D. Seytre, « Les référendaires: Hommes et femmes de l'ombre », d'Letzebuerger Land, Luxembourg, 25 January 2008.

D. Seytre, « Les référendaires: Pourquoi tant de mystère? », Le Jeudi, Luxembourg, 16 December 2012.

E. Sharpston, "The Changing Role of the Advocate General", in A. Arnull, P. Eeckhout, and T. Tridimas (eds), *Continuity and Change in EU Law: Essays in Honour of Sir Francis Jacobs* (Oxford: Oxford University Press, 2008), 30.

T. Tridimas, "The Role of the AG in the Development of Community: Some Reflections" (1997) 34 *Common Market Law Review* 1349.

R. Zakharenko, "Invisible Influence? The Role of the Advocate General in the European Court of Justice on the Development of Community Law" (University Honors in International Studies, 2012), available at https://auislandora.wrlc.org/islandora/object/1112capstones:129

23

RATIONALES AND LITIGATION STRATEGY OF THE FRENCH GOVERNMENT BEFORE THE CJEU IN COPYRIGHT CASES

Daniel Segoin

Abstract

Over the past ten years, intellectual property cases have been extensively litigated before the Court of Justice of the European Union (CJEU). Yet, contrary to what has been observed in trade mark law (where the caseload has mostly stemmed from direct action before the General Court of the EU) the vast majority of copyright cases have been heard by the CJEU through references for a preliminary ruling. In turn, this has prompted a few Member States to embrace a very active litigation strategy before the Court. This chapter explains the rationales for the French government's litigation strategy and the extent of its influence on the CJEU. After providing a theoretical explanation of the justifications underlying the French litigation strategy, the analysis focuses on two sub-fields of copyright litigation (the right of communication to the public and the private copying exception) where the French government has been particularly active.

Contents

Abstract 472
Introduction 473
The rationales behind the active stance of the French government in copyright matters 475
Providing a better understanding of the relevant French law before the CJEU 475
Defending the compatibility of French law with EU law 476
Dissemination of legal solutions established by French courts 477
Case studies 478
The right of communication to the public 478
Requests for a change in CJEU case law concerning exercise of the right of communication to the public in the physical world 478
Adapting the right of communication to the public to the digital world 479
The private copying exception 483
Conclusion 484
References 485
Case law 485

Introduction

With the adoption of various pieces of EU legislation over the years, copyright has gradually fallen within the ambit of EU law. Nonetheless, the EU legislator's work in this field came to a halt in the mid-2000s. In this context, it fell to the Union's courts to take account of consequences arising from the changes induced by the extensive use of new technologies and the new habits of consumers, and thus to interpret provisions originally designed for a physical environment.

EU copyright law now indubitably bears witness to the importance of the Kirchberg judges' praetorian task of supplementary interpretation. In view of the old French legal tradition in the field of copyright, it is fairly natural that the case law of the Court of Justice of the European Union (CJEU), which has also become a decisive element of the EU copyright policy discourse, has been fully embraced by the French authorities. This activism before the CJEU has in turn enabled France to influence the CJEU case law,[1] as shown in the table below (Figure 23.1).

Cartesian diagram illustrating Member State/Commission influence and promotion of interests of rightsholder or user/intermediary interest (source: Favale, Marcella – Kretschmer, Martin – Torremans, Paul L.C., Who Is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law (2020) 83(4) *Modern Law Review* 831, p. 857).

Given the type of cases involved, it comes as no surprise that this interventionist policy has been implemented almost exclusively in the context of references for preliminary rulings (with the notable exception of two requests under the Opinion procedure[2] in which issues related directly to copyright were explicitly addressed). In this respect, it should be noted from the outset that the number of references for preliminary rulings on issues relating to literary and artistic property that have been initiated by French courts remains relatively low in comparison with other countries. Between 2008 and 2019, a significant number of cases related to copyright came before the CJEU, but only five of these references for preliminary

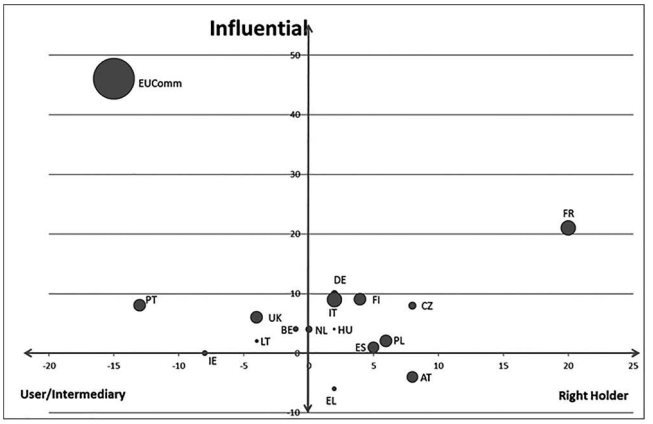

Figure 23.1

1 On this point cf. the results of the study by Favale, Marcella – Kretschmer, Martin – Torremans, Paul L.C., Who Is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law (2020) 83(4) *Modern Law Review* 831.

2 The reference here is to the Opinion of 16 May 2017, 2/15, on the Free Trade Agreement with Singapore and the Opinion of 14 February 2017, 3/15, on the Marrakesh Treaty.

rulings were initiated by French courts. By way of comparison, in the same period courts in Germany (20 referrals) and the Netherlands (13 referrals) played a more active part in developing the Court's case law.[3]

Certain consequences arise from this relatively restrained approach embraced by the French courts. Indeed, a referral from a national court, *a fortiori* in the case when it comes from a supreme court, is significant as regards the influence that the law of the country at hand may exert on the CJEU case law. The referring court's efforts to raise awareness, expressed in several pages elucidating apparent contradictions between national law and Union law or highlighting an imprecision that appears to arise in certain CJEU judgments, allows national courts to exercise their role as co-guardian of the EU legal order[4] by making a welcome connection between the national and supranational spheres. Such efforts do have an impact and enable the CJEU to draw on national case law that it might not necessarily have been familiar with otherwise. Moreover, this inclination to discuss national law also appears at hearings in which the case law of certain supreme courts is frequently cited by the parties to the main proceedings, the States or even the judges. In recent cases, the judgments handed down by the High Court of England and Wales pertaining to injunctions against intermediaries[5] or the ruling in which the French Cour de Cassation refrained from enshrining copyright protection of a fragrance in French law have been thoroughly discussed during hearings.[6]

From a French perspective, the active stance adopted by the national courts is all the more significant as the government automatically intervenes in every reference for a preliminary ruling from a French court, even if merely to recall and explain how to interpret the provisions of French law at stake. More frequently, however, such interventions entail obtaining or defending before the CJEU an interpretation of a secondary act that is in line with the government's own position on a specific point of law or concept (for example, compensation for private copying or the right of communication to the public). Although the limited number of preliminary references is potentially less fruitful than in other Member States when it comes to fully bringing influence to bear on the Court's case law, the last decade has highlighted the pronounced pro-active stance adopted by the French government before the Court. This has made it possible to consistently address certain aspect of copyright law, the development of which can now be analyzed with hindsight.

In this chapter, I intend to explain, first of all, what the rationale and the litigation strategy of the French government in relation to copyright cases over the past ten years have been. Second, I will provide a more *in concreto* analysis of this litigation strategy by focussing

3 Reference is made here to references for preliminary rulings involving provisions which may affect literary and artistic property. The following legislative texts are thus referred to: Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society, OJ L 167, 22.6.2001, pp. 10–19; Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (codified version), OJ L 376, 27.12.2006, pp. 28–35; Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases, OJ L 77, 27.3.1996, pp. 20–28; Corrigendum to Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights (OJ L 157, 30.4.2004), OJ L 195, 2.6.2004, pp. 16–25; and – in part – Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular, electronic commerce, in the Internal Market ('Directive on electronic commerce'), OJ L 178, 17.7.2000, pp. 1–16.

4 Opinion of 8 March 2011, 1/09 on the Creation of a unified patent litigation system, para 68.

5 See in particular *Cartier, Montblanc and Richemont v BSkyB, BT, TalkTalk, EE and Virgin* (Open Rights Group intervening) [2014] EWHC 3354 (Ch).

6 Cour de Cassation ruling n°02–44.718 of 13 June 2006, – 1st civ and n°11–19872 10 December 2013, com.

on two fields: the right of communication to the public (on the right of communication to the public, see also Chapter 9) and private copying and fair compensation (on private copying, see Chapter 7).

The rationales behind the active stance of the French government in copyright matters

Most of the time, French interventions before the CJEU have stemmed from an informed choice to extend the influence of French law to Luxemburg. Indeed, even more so than at the national level, the EU legislative procedure entails compromises between several stakeholders (institutions, political formations and Member States alike). Against this background, the cryptic provisions of secondary legislation often reflect a lack of consensus between the aforementioned stakeholders. In this context, it makes sense for governments across the EU to contribute actively to putting the finishing touches to the Union legislator's work by endeavoring to obtain in Luxembourg what they may have been denied in Brussels. Of course, acting agents before the CJEU will subsequently be responsible for translating the proposed solution into the specific idiom of Union law, but the starting point remains policy-oriented. These interventions, which form the basis of the litigation strategy, can take three distinct forms, which shall be addressed here in turn.

Providing a better understanding of the relevant French law before the CJEU

In the first place, interventions may be motivated by the wish to explain the content of French law before the Union judge. Indeed, certain cases, like those related to a dispute between two private parties may not be of direct and immediate interest for the French government.[7] Yet there may be a justification for the French authorities to intervene in such cases in order to provide the CJEU with a neutral exposition of French legal provisions pertaining to the issue in question.

While a few examples confirm in practice the existence of interventions in this vein, it should be noted that these remain limited as far as copyright litigation is concerned. In the vast majority of cases, the French government does actually have a well-defined strategy when intervening in proceedings.

That said one example of such a litigation strategy can be identified in a case subsequent to a referral from the Cour de Cassation on the resale right.[8] Such right has long been enshrined in French law and perfectly illustrates the traditional French position of protecting and recognizing the prerogatives of creators of works. In contrast, for a long time, it was not entirely self-evident that this right would also be protected at the EU level because of major differences of opinion between Member States on this issue. Eventually, the adoption of Directive 2001/84[9] filled this gap, although the scope of the resale right contained in that

7 An example of a case that illustrates this type of scenario is the judgment of February 7, 2015 (C-562/15, EU:C:2017:95) in which the parties were the Carrefour and Intermarché hypermarkets; although it emanated from a French court, the judgment dealt with a point of law (misleading advertising) that was not related to a subject of immediate relevance to the French government. However, the intervention arose because it was a reference for a preliminary ruling from the Paris Court of Appeal.

8 Judgment of 26 February 2015, *Christie's France SNC* (C-41/14, EU:C:2015:119).

9 Directive 2001/84/EC of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art, OJ L 272, 13.10.2001, pp. 32–36.

Directive remains more constrained than is provided for in French law. In such a case, the French intervention, while remaining relatively neutral as to the response on the point of law, sought to recall the merits of a broad-based interpretation of the resale right, as provided under French law.

Defending the compatibility of French law with EU law

The second situation is that of references for preliminary rulings from French courts that lead the CJEU to consider the compatibility of a national law or system with EU law. The French government will thus find itself, *a fortiori* when the Commission opposes its position, implicitly acting as defendant, akin to an infringement procedure. The same applies to references for preliminary rulings that come from other countries but call into question provisions that are similar to those in French law.

When it comes to copyright, the limited number of references for preliminary rulings from French courts in recent years has greatly reduced the likelihood of such cases. However, a landmark case concerning French legislation on out-of-print books[10] is a perfect illustration of the way in which the French government upholds its stance in a context where the assessments of national supreme courts and Union judges may sometimes diverge.

In that particular case, it is useful to recall that with the concerned piece of legislation, the French legislator was seeking to attain a twofold objective. On the one hand, the objective was to promote the dissemination of books which it was feared might be forgotten as new editions were not published. On the other hand, this reform was also intended to embrace new consumer uses by safeguarding dissemination of these books, at the very least, in a dematerialized form. The law in question was initially the subject of an appeal before the Conseil d'État (French Council of State), in the course of which the rightholders who had lodged the appeal requested that the matter be referred to the Conseil constitutionnel (French Constitutional Court) by means of an application for a priority preliminary ruling on the issue of constitutionality (QPC). The applicants based their claim on three grievances. First, it was alleged that the parliamentary procedure for adoption of the bill had not respected the principle of open and honest debate. Second, the applicants alleged that the law's lack of intelligibility affected their property rights. Finally, they argued that the law's content infringed their property rights. In its decision to refer the case, only the latter grievance was considered by the Conseil d'État to be serious and the Conseil constitutionnel's analysis therefore focused on this single point of law.

In light of the relevant provisions of the French Declaration of Human Rights, the Conseil constitutionnel stated[11] that the system for digital exploitation of out-of-print books did not contravene Articles 2 and 17 of the Declaration, noting, in particular, that the infringement of the right of ownership resulting from this law was proportionate.[12] When the case was remitted to the Conseil d'État, the latter considered the conformity of the provisions

10 Law No. 2012–287 of 1 March 2012 on digital exploitation of out-of-print 20th-century books. Judgment of 16 November 2016, *Marc Soulier and Sara Doke* (C-301/15, EU:C:2016:878).

11 Decision n°2013–370 QPC of February 28, 2014, Mr. Marc S. et al. [Digital exploitation of out-of-print books].

12 For more details on the reasoning of the Constitutional Council and its jurisprudence on the right of ownership, see the commentary on Decision n°2013–370 QPC February 28, 2014- M. Marc S. et al [Digital exploitation of out-of-print books]. <https://www.conseilconstitutionnel.fr/sites/default/files/as/root/bank_mm/decisions/2013370qpc/ccc_370qpc.pdf> (last accessed 12 August 2020).

with Articles 2 and 5 of Directive 2001/29 and referred the matter to the CJEU for a preliminary ruling on that particular point.[13]

In contrast to the usual stance of the French government, which seeks to defend the prerogatives of rightholders, the French intervention sought here to defend the compatibility with Union law of the mechanism for digital exploitation of out-of-print books. Eventually the CJEU insisted on the need to preserve the prerogatives of authors by ensuring that they are effectively informed about future uses of their work (in the form of digitization) and pointed out that consequently "the cultural interest of consumers and of society as a whole […] cannot justify a derogation […] to the protection that authors are ensured by [Directive 2001/29]".[14]

Contrary to the ruling handed down by the Conseil constitutionnel,[15] the fact that the measure at stake fulfilled a public interest objective[16] was not deemed sufficient to be compliant with EU law, thus confirming that – on this point – Union law remains more protective of rightholders' interests than French constitutional law. Ironically, the reasoning described in the CJEU judgment picks up on many aspects generally submitted by France in support of its own interventions in other cases.

More broadly speaking, this case recalls that once adopted, a piece of legislation will sometimes have to contend with two centrifugal forces, namely the established case law of the Court of Justice and that of the Conseil constitutionnel, each upholding its own specific logic (despite some obvious overlapping).

Dissemination of legal solutions established by French courts

Finally, it should also be noted that under certain circumstances upholding French law also entails safeguarding solutions pertaining to points of law that have been adopted by French courts.

The French government's intervention in Case C-310/17, *Levola Hengelo*,[17] provides an example of such a strategy in practice. In that case, the Gerechtshof Arnhem-Leeuwarden, in the question it referred for a preliminary ruling, was considering whether it was possible to protect the taste of food under copyright law. In that connection, referral from the Dutch court explicitly referred to the case-law of the Cour de Cassation (French Court of Cassation) and the two judgments in which the French court had refused to grant copyright protection to perfume fragrances. Neither EU law, through Directive 2001/29, nor international law, through the Berne Convention, provided strong legal grounds for concluding that the taste of food would be excluded from copyright protection.

In this context, the purpose of the French intervention was therefore to convince the CJEU to embrace a reasoning enshrined in national case law without explicit legal ground under EU copyright law. In order to do so, it relied on a different set of elements that the Court was already accustomed to, such as CJEU case law not to allow registration of a flavor/fragrance under trade mark law of a flavor/fragrance,[18] as well as a combined reading of the provisions of the Berne Convention and the Explanatory Guide thereto. Finally, from a

13 Conseil d'État, 10th / 9th SSR, 19/12/2013, 368208, Inédit, Recueil Lebon.

14 *Marc Soulier and Sara Doke*, cit, paragraph 45.

15 Decision of the Conseil constitutionnel, cit, point 14.

16 The legitimacy of that objective is, moreover, explicitly recognized by the Advocate General in his Opinion. Opinion of Advocate General Wathelet in *Marc Soulier and Sara Doke* (C-301/15, EU:C:2016:536), delivered on 7 July 2016, paragraph 65.

17 Judgment of 13 November 2018, *Levola Hengelo BV* (C-310/17, EU:C:2018:899).

18 Judgment of 12 December 2002, *Sieckmann* (C-273/00, EU:C:2002:748), paragraph 55.

more practical perspective, it also referred to the technical constraints such protection would encounter, given the difficulties in objectively identifying the taste of food.

Ultimately, while the CJEU quite logically adhered to the position adopted by the Cour de cassation, it did so to a large extent by incorporating the aforementioned elements and, in particular, recalling the need – when identifying the protected object – to rule out any element of subjectivity, which would be detrimental to legal certainty.[19] While such a solution has the obvious merit of being rooted in practical considerations, it does not preclude any future developments, recalling that for the CJEU it is due to current technical limitations that precise and objective identification of the taste of food is not possible.[20] This contextualization, which is implicitly preceded by the appointed Advocate General's own assessment,[21] indicates that the case law could potentially be overturned in the future if new technologies were to emerge.

Case studies

In the following, I intend to provide a practical analysis of this litigation strategy by focussing on two sub-fields of copyright where the French government has been particularly active: the right of communication to the public under Article 3(1) of Directive 2001/29 and the private copying exception in Article 5(2)(b) of the same directive (on the right of reproduction, see the discussion in Chapter 6).

The right of communication to the public

Article 3(1) of Directive 2001/29 (as well as Article 8(2) of Directive 2006/115, which the CJEU has since confirmed should be interpreted in the same fashion[22]) concerns the right of communication to the public. In this sphere, which has been the ground for a lot of cases before the CJEU, recent interventions by the French government have pursued two objectives: adjusting CJEU case law concerning the implementation of this right in the physical world and making an active contribution to establishing Court's case law concerning this same right in the digital world.

Requests for a change in CJEU case law concerning exercise of the right of communication to the public in the physical world

To begin with, it is important to recall that, in accordance with CJEU case law, the right of communication to the public presupposes that two criteria are satisfied: an act of communication, on the one hand, and the communication of a work protected by copyright to an audience, on the other hand. French interventions on this matter before the CJEU have always tried to uphold a broad interpretation of the right of communication to the public that can be inferred from these two criteria.

Such broad interpretation was seemingly at risk following the judgment delivered on 15 March 2012, *Del Corso*,[23] whereby the CJEU cast doubt on its willingness to limit its assessment

19 *Levola Hengelo*, cit, paragraph 41.

20 Ibid., paragraph 43.

21 Opinion of Advocate General Wathelet in *Levola Hengelo* (C-310/17, EU:C:2018:618) delivered on 25 July 2018, paragraph 57.

22 Judgment of 31 May 2016, *Reha Training* (C-117/15, EU:C:2016:379), paragraphs 31 to 34.

23 Judgment of 15 March 2012, *Del Corso* (C-135/10, EU:C:2012:140).

to these two criteria. Indeed, the CJEU based much of its reasoning on the presence of a for-profit aim (i.e., in practice, a third criterion) when ruling that broadcasting of sound recordings in a dental surgery should not be classified as communication to the public. However, the judgment was delivered by a chamber of five judges, which did not make it possible to be absolutely certain at the time that a landmark ruling had been actually issued. This impression was further reinforced by the divergent positions observed in subsequent judgments, which cast doubt on the assertion that the *Del Corso* judgment had signaled a shift in CJEU case law.

Against this background, the lack of clarity in CJEU jurisprudence resulting from the *Del Corso* judgment was considered by the French government as a legitimate ground to request a referral to the Grand Chamber in one of the subsequent cases concerning the right of communication to the public: C-117/15, *Reha Training*. The intention was to bring about a change in the case law concerning the "new public" criterion and to clarify whether the for-profit criterion should be taken into account.

As regards the first point, the objective was twofold: to convince the CJEU to accept that the concept of the public includes a *de minimis* threshold, which excludes from such categorization a group consisting of an excessively small or insignificant number of persons, and to warn the Court of the risks associated with using the "new public" criterion (which could have eventually led to an interpretation of the concept of a public narrower than the WIPO definition).

On the second point, the CJEU was asked to clarify its case law on whether to take account of a for-profit motive. The lack of any mention of this criterion in the relevant EU directives, together with the risk that taking this parameter into account might contravene some other provisions of the very same directives (as Advocate General Trstenjak pointed out in her Opinion in the Del Corso case[24]) fully justified a motion for referral to the Grand Chamber. Since the Member States enjoy a right to have their case referred to the Grand Chamber following a substantiated application,[25] the CJEU was eventually compelled to sit in a Grand Chamber composition to hear the case.

When the judgment was handed down, it was thus the Grand Chamber of the Court of Justice which provided welcome clarifications on the concept of communication to the public and thus determined how the various criteria required to categorize the right of communication to the public in the physical world should be interpreted. The for-profit criterion remains a relevant element in order to determine the remuneration that is due to the rightholder,[26] but is not held to be a necessary condition for categorization as a communication to the public. This said, while recalling the relevance of a *de minimis* threshold in categorizing a public, the CJEU declined to provide a precise definition of this concept, merely pointing out that in the case at hand the circle of persons constituted by patients is neither "too small nor insignificant".[27] Though this judgment does not settle once and for all the issues related to the right of communication to the public in the physical world, it provides an illustration of the issues at hand and confirm the relevance of adopting a pro-active strategy when engaging with cases before the CJEU.

Adapting the right of communication to the public to the digital world

On the second point, the main challenge was to monitor but also influence the emerging CJEU case law on the adaptation of the right of communication to the public to the

24 Opinion of Advocate General Trstenjak delivered on 29 June 2011 in *Del Corso* (C-135/10, EU:C:2011:431).

25 As provided for in Article 16(3) of the Statute of the Court of Justice.

26 *Reha Training*, cit, paragraph 64.

27 Ibid., paragraph 58.

particular features of the digital world. This adaptation was mostly achieved in the course of cases related to provision of hyperlinks offering access to works protected by copyright.

In the first case on the subject (C-466/12 *Svensson*[28]), the CJEU received a reference for a preliminary ruling from the Svea Court of Appeal in Sweden following litigation brought by Nils Svensson and other journalists who had published articles that were freely available with their consent on the website of the daily newspaper *Göteborgs-Posten*. Without their prior authorization, the Retriever Sverige website had provided hyperlinks to articles published these journalists in the *Göteborgs-Posten* newspaper. The journalists subsequently brought a case before the Swedish courts alleging infringement of their exclusive right to authorize or refuse communication of their works to the public.

France decided to intervene to embrace a maximalist stance, calling on the CJEU to transpose its case law in full by applying provisions pertaining to the physical environment to the case in point. As such, it was proposed that each case of provision of hypertext links to a work protected by copyright should require the express prior approval of the rightholder. Embracing an approach at the opposite extreme, the Commission proposed that the CJEU exclude the provision of such hyperlinks from the scope of the right of communication to the public, arguing, in particular, that the specific characteristics of the internet did not allow the solution adopted for the physical environment to be transposed to this context. Ultimately, the CJEU did not endorse either of these maximalist positions but handed down a truly Solomonic judgment, rejecting the French approach, which was admittedly ill-adapted to the specific characteristics of the digital environment while also side-lining the excessively liberal position taken by the Commission.

First, after having noted that a broad definition must be given as to what constitutes an act of communication, in accordance with the objectives set out in the preamble to the Directive, the CJEU concluded that the provision of hyperlinks to protected works published on another site without any access restrictions must be classified as an act of communication. Applying the *acquis* of its *SGAE* case law,[29] the Court thus departed from the recommendations of part of the legal doctrine[30] and emphasized that merely making a work available online is sufficient to constitute an act of communication without any requirement to demonstrate that the intended public has actually accessed the content of that work.

Second, the CJEU drew on its usual premise and recalled that the communication must be addressed to a different public[31] from that targeted by the initial communication (categorized as the new public) in the event that the defendant's communication employs the same technical means as the initial communication. However, it chose not to make a distinction between internet users generally speaking and those actually accessing the *Göteborgs-Posten* site. Indeed, as the press articles were freely accessible to all internet users on the *Göteborgs-Posten* site, communication to the public via the hyperlink provided to the *Göteborgs-Posten* site did not allow a new public to access these articles. Simply communicating, by means of a hyperlink, that an article is published online on another website was therefore held not to be sufficient for this act to be categorized as communication to a new public. In order to be classified as a new public, the public that has access to the work after such communication must be different from the public initially targeted when the work at hand was first made available online.

28 Judgment of 13 February 2014, *Svensson* (C-466/12, EU:C:2014:76).

29 Judgment of 7 December 2006, *SGAE* (C-306/05, EU:C:2006:764).

30 European Copyright Society, Opinion on the reference to the CJEU in Case C-466/12, *Svensson*, 15th February 2013, available at https://europeancopyrightsocietydotorg.files.wordpress.com/2015/12/european-copyright-society-opinion-on-svensson-first-signatoriespaginatedv31.pdf (last accessed 12 August 2020).

31 In accordance with its established case-law on Article 3(1), the Court categorizes this public as a "new public".

With this ruling, the CJEU exported to the digital environment an interpretation based on its own case law, developed over the last decade or so, concerning the concept of communication to the public in the physical world. However, it is interesting to note that exporting these provisions to the digital realm has been used by the Court to genuinely adapt the concept of communication to the public to the digital sphere. In this respect, the CJEU clearly disregarded the approach advocated by the French authorities, whereby each provision of a hypertext link to a work protected by copyright should be authorized by express approval from the rightholder. Nevertheless, the Court also rejected the positions submitted by the European Commission and other Member States, which did not wish to categorize provision of such a link as acts of communication to the public. Finally, although the judgment differs from certain rulings previously handed down by various national courts, it provides an EU-wide harmonization of a concept and remains in line with the objective enshrined in Directive 2001/29 (and sometimes ignored by these national courts), notably guaranteeing rightholders a high level of protection.[32]

Yet, even after the *Svensson* ruling, some elements regarding the regime of hyperlinks still needed to be clarified. These were addressed by the CJEU in subsequent cases, which also gave an opportunity for the French government to pursue its involvement in the matter. In this regard, while certain aspects (such as the lack of an Opinion from an Advocate General) might have led some to doubt the scope of this judgment, subsequent cases allowed the CJEU to confirm that *Svensson* was indeed a landmark judgment. That said, the Court also provided some nuance as to the exact scope thereof.

It was especially[33] through C-160/15 *GS Media*[34] that the Court had an opportunity to fine-tune its case law by providing substantial clarifications to the regime first enshrined in the *Svensson* judgment. The platform operated by GS Media (GeenStijl.nl) had published an article and a hyperlink directing readers to an Australian site where photos protected by copyright (and supposedly only accessible with a digital key) were freely available. The photos had been published on the Australian site without the consent of the rightholder. The GS Media platform, by allowing this access to protected works, was infringing the copyright of the rightholder.

In its decision, the Court of Justice ruled that a hyperlink to a work protected by copyright and made available online without the author's consent does not automatically constitute a communication to the public. To do so, the question that must be assessed is *whether the person posting the hyperlink is or ought to be aware that the rightholder of the copyright has not authorized placement of the work on the website of the third party concerned*.[35] In this respect, the CJEU identified three criteria that can serve as evidence of awareness that the hyperlink was not lawfully provided:

- first, cases in which the rightholder has notified the person posting the hyperlink that it was unlawful;
- second, cases in which the hyperlink may have enabled circumvention of restrictive measures;

32 In this respect, it is useful to note that French courts (judgment of the Paris Court of First Instance of 18 June 2010, M6 Web, métropole télévision et autres / SBDS) and German courts (Bundesgerichtshof, judgment of 17 July 2003, Paperboy, I ZR 259/00) had hitherto refrained from classifying linking to protected content as an act of communication to the public.

33 For the sake of completeness, it should be reminded that, before *GS Media*, the CJEU delivered a ruling on the matter in *BestWater* (C-348/13, EU:C:2014:2315). Though this ruling did confirm the *Svensson* judgment, its exact significance was disputed. Indeed, the case was decided without any hearing or Opinion of the appointed AG and the Court decided to rule by reasoned order under article 99 of the Rules of procedure. As a result, the final order does not provide a lot of explanation on the Court's reasoning.

34 Judgment of 8 September 2016, *GS Media* (C-160/15, EU:C:2016:644).

35 Ibid., paragraph 24.

– third, cases in which the link was provided for profit (this specific criterion constitutes a rebuttable presumption).

In this case, the French Government argued that a digital key such as the one at issue produced effects comparable to the restrictive measures described in the *Svensson* judgment. Utilization of this tool *de facto* means that protected works are in practice impossible to find among the almost unlimited number of internet sites and, while nothing prevents an internet user from accessing these works completely by chance, this would be an extremely unlikely occurrence. Given the immense scale of the internet, the publisher of the website could have therefore legitimately considered that, by ensuring that the address of his site is not and cannot be referenced, the work they place on that site would be protected (just as if restrictive measures comparable to encryption had been implemented).

That being the case, France maintained that any internet user to whom the publisher has not communicated the address of the site in question is a new public that was not taken into account when the work was initially communicated to the public. Furthermore, with regard to the for-profit criterion, the French intervention deemed it relevant to consider the scope of such a criterion in the digital sphere. As an increase in the number of visitors to a website following the dissemination of works protected by copyright was clearly of economic interest (the increase in the number of users visiting the GeenStijl.nl internet site enabled that site to increase its advertising revenue), the French government regarded it as important to take that factor into account.

While this CJEU decision would, eventually go far beyond this observation and establish a genuine regime of liability concerning provision of hyperlinks for profit, it is worth noting that the position taken by France deliberately aimed at being innovative on this point. The for-profit criterion was perceived as an effective means to strengthen the protection of rightholders in the digital world (contrary to what remained the French stance regarding the for-profit criterion in the physical world).

The French position in the *Stichting Brein* cases (C-527/15 and C-610/15[36]) must be assessed in the same light. In these cases and notably in C-610/15, the question arose as to whether the indexing of BitTorrent links by a platform known as The Pirate Bay could be classified as communication to the public and would therefore fall within the scope of defined by the *Svensson* case law.

The French government here once again supported an extension of the scope of application of the *Svensson* judgment in order to better identify potential copyright infringements resulting from new uses of protected content by internet users. This position was based primarily on the *Phonographic Performance (Ireland) Limited* judgment,[37] which held that the first of the criteria considered by the CJEU (the existence of an act of communication) should be assessed in the light of the unavoidable role played by the intermediary that enables the act of communication. The French government thus argued that a platform like The Pirate Bay played such a role. Furthermore, as regards the condition of communication of a work to the public, it submitted – based on the for-profit criterion – that such an aim was indeed present in the present case, because of the numerous advertisements that enabled the site to generate a profit of nearly EUR 30 million per year.

These numerous French interventions in cases concerning communication to the public in recent years reveal the importance to France of effective protection of copyright. As explained

36 Judgment of 26 April 2017, *Stichting Brein* (C-527/15, EU:C:2017:300); Judgment of 14 June 2017, *Stichting Brein* (C-610/15, EU:C:2017:456).

37 Judgment of 15 March 2012, *Phonographic Performance (Ireland) Limited* (C-162/10, EU:C:2012:141).

above, different grounds have justified such an active strategy when it comes to the particular sub-category of communication to the public. Additionally (and not to be disregarded), an instrumental element to explain French interventions in the field of communication to the public is the positions upheld by the Commission.[38] Often running contrary to the French views, they justified the need to provide a dissenting submission to the CJEU.

The private copying exception

With regard to cases pertaining to the private copying exception, the French position has to a large extent been twofold.

First, the French government (like the vast majority of the other Member States) has actively sought to consolidate and uphold the CJEU case law, which stipulates that Member States are granted a wide margin of discretion to determine the form, detailed arrangements for financing and collection, and the level of the fair compensation for private copying. Such a position from the Court is all the more noteworthy in that fair compensation is an autonomous concept of Union law[39] for which the Court could have decided that a harmonized definition of the various elements mentioned above was required. However, given the lack of detail in Directive 2001/29 on the various elements of the fair compensation system, the CJEU has inferred that the Member States enjoy a wide margin of discretion in defining those elements.

This subtle balance (between harmonization and the margin of discretion granted to Member States concerning the same concept), which is not a frequent feature of CJEU case law, constitutes the framework that the French authorities have endeavored to preserve.

Yet, in subsequent cases, the Court has recalled that this margin of discretion is not unlimited. Thus arguments put forward by the French Government in support of the Italian scheme, whereby conclusion of an agreement between a collecting society and the persons liable for fair compensation was intended to allow effective reimbursement of this levy.[40] Besides, although the Member States do have genuine room for maneuver, this must not, however, weaken the effective implementation of the exception and the payment of the resulting compensation.

Second, as consumer uses have dramatically changed as a result of an extensive reliance on new technologies, the French Government wished to extend the scope of the private copying exception, as advocated on numerous occasions by the French Commission for the compensation of Private Copying[41]. In that regard, the French government drew on the provisions contained in the recitals of the preamble to Directive 2001/29, which stipulate explicitly that the application of the Directive should be adapted to respond adequately to economic realities resulting from technological developments. It was therefore possible to argue that, in the light of recital 5 therein, application of the private copying exception could conceivably be extended to the cloud, as eventually stated by the Court itself.[42] This position, drawing on dynamic interpretations of the relevant provisions of Directive 2001/29, echoed the evolution of CJEU case law concerning the right of communication to the public, and confirmed the willingness of the EU judges to adapt the EU legal framework to the digital economy.

38 Rosati, Eleonora, "What Does the European Commission Make of the EU Copyright Acquis When It Pleads Before the CJEU? The Legal Service's Observations in Digital/Online Cases" (2020) 45(1) *European Law Review* 67–99.

39 Judgment of 21 October 2010, *Padawan* (C-467/08, EU:C:2010:620), paragraphs 29 to 37.

40 Judgment of 22 September 2016, *Microsoft Mobile Sales* (C-110/15, EU:C:2016:717).

41 This Commission is set up pursuant to Article L.311-5 of the Intellectual Property Code.

42 For practical applications, see the Judgments of 5 March 2015, *Copydan Båndkopi* (C-463/12, EU:C:2015:144) and 29 November 2017, *VCAST* (C-265/16, EU:C:2017:913).

Lastly, it should be noted that in each of these two cases, the effective protection of the rightholders' rights and interests (in order to ensure fair compensation for them) was the underlying objective of the French government. As a result and more broadly speaking, measures that would jeopardize that objective also served to justify French interventions pertaining to the private copying exception.

An example of such kind of intervention is provided by C-470/14 *EGEDA*.[43] A reference for a preliminary ruling was made to the CJEU by the Spanish Supreme Court concerning the compatibility with Article 5(2)(b) of Directive 2001/29 of a new provision adopted by the Spanish legislature, providing that payment of fair compensation should come from the general state budget. This provision was found to depart from the approach adopted by the CJEU concerning compensation for private copying, whereby the payment of a fair compensation is intended to compensate rightholders who have suffered damage as a result of the use, without their consent, of their works or of other subject-matter protected under the private copying exception.[44] In this context, an arrangement such as the one in force in Spain, whereby compensation to rightholders would in practice be a function on the amount allocated to this item of expenditure in the general state budget, would inevitably expose the effective compensation for damage suffered by rightholders to the political vagaries that are always involved in the course of the adoption of a state budget. In order to protect rightholders' interests, it was therefore decided to challenge such a mechanism which, if it had been recognized as well-founded in law, could have paved the way for a substantially reduced amount of fair compensation awarded to rightholders under the exception provided in Article 5(2)(b).

From all the above, it is therefore clear that one consistent aim for the French government is to safeguard the interests of rightholders affected by the private copying exception, while leaving the Member States room for maneuver in applying Article 5(2)(b) of Directive 2001/29.

Conclusion

As the number of cases before the CJEU has grown significantly, the French government has unwaveringly upheld its pro-active strategy in engaging with this phenomenon. While this holds true for all subject matters encompassed by Union law, intellectual property and copyright provide a particularly good illustration of this strategy.

As highlighted in this chapter, this pro-active approach acknowledges the CJEU's growing role as a protagonist in shaping copyright provisions in the Union. In this context, a genuine strategy for handling these cases appears all the more crucial, given that the French positions are often in conflict with those adopted by the Legal Service of the European Commission.

Although the cycle of cases related to the directives adopted in the early 2000s seems to be drawing to its inevitable close, the recent adoption of a "copyright package" is likely to revive the wave of references for preliminary rulings observed over the last decade. At the same time, discussions and debates on the renowned Article 17 of Directive 2019/790 confirm that other Member States are also seeking to obtain support in Luxembourg for particular positions that they have not managed to uphold during the ordinary legislative procedure.[45]

43 Judgment of 9 June 2016, *EGEDA* (C-470/14, EU:C:2016:418).

44 See in particular Judgment of 16 June 2011, *Stichting de Thuiskopie* (C-462/09, EU:C:2011:397), paragraph 34.

45 The action for annulment brought by the Polish Government concerning Article 17 of Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, pp. 92–125 (C-401/19, in progress) is a case in point.

Rather than being a purely defensive stance, managing copyright cases before the CJEU has therefore become a decisive aspect in the European policy of Member States that wish to defend their interests in the field of literary and artistic property. Against this background, understanding and analyzing the now well-established case law in this field is all the more important for both public authorities and interested stakeholders.

References

Martin-Prat, Maria, The Future of Copyright in Europe (2015) 38(1) *The Columbia Journal of Law & The Arts* 29.

Oliver, Peter J – Stothers, Christopher, Intellectual Property Under the Charter: Are the Court's Scales Properly Calibrated? (2017) 54 *Common Market Law Review* 517.

Favale, Marcella – Kretschmer, Martin – Torremans, Paul L.C., Who Is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law (2020) 83(4) *Modern Law Review* 831.

Rosati, Eleonora, "What Does the European Commission Make of the EU Copyright Acquis When It Pleads Before the CJEU? The Legal Service's Observations in Digital/Online Cases" (2020) 45(1) *European Law Review* 67.

Case law

Judgment of 7 December 2006, *SGAE* (C-306/05, EU:C:2006:764).
Judgment of 21 October 2010, *Padawan* (C-467/08, EU:C:2010:620).
Judgment of 15 March 2012, *Del Corso* (C-135/10, EU:C:2012:140).
Judgment of 15 March 2012, *Phonographic Performance (Ireland) Limited* (C-162/10, EU:C:2012:141).
Judgment of 13 February 2014, *Svensson* (C-466/12, EU:C:2014:76).
Judgment of 26 February 2015, *Christie's France SNC* (C-41/14, EU:C:2015:119).
Judgment of 5 March 2015, *Copydan Båndkopi* (C-463/12, EU:C:2015:144).
Judgment of 31 May 2016, Reha Training (C-117/15, EU:C:2016:379).
Judgment of 9 June 2016, *EGEDA* (C-470/14, EU:C:2016:418).
Judgment of 8 September 2016, *GS Media* (C-160/15, EU:C:2016:644).
Judgment of 22 September 2016, *Microsoft Mobile Sales* (C-110/15, EU:C:2016:717).
Judgment of 16 November 2016, *Marc Soulier and Sara Doke* (C-301/15, EU:C:2016:878).
Judgment of 26 April 2017, *Stichting Brein* (C-527/15, EU:C:2017:300).
Judgment of 14 June 2017, *Stichting Brein* (C-610/15, EU:C:2017:456).
Judgment of 13 November 2018, *Levola Hengelo BV* (C-310/17, EU:C:2018:899).

24

READING TEA LEAVES DIFFERENTLY?

A comparison of the interpretive fingerprint of the CJEU and the US Supreme Court in copyright law

*Frederic Blockx**

Abstract

This chapter discusses the use of interpretive techniques by the US Supreme Court and by the European Court of Justice in copyright cases. The method of systematic content analysis is used to code the entire body of these cases for the use of any of ten interpretive techniques (or *topoi*) as identified by MacCormick, Summers and Taruffo. The introductory part discusses the methods used, followed by a brief overview of the particularities of both courts as all readers are not necessarily equally familiar with the workings of both courts. The first part consists of a descriptive overview of both case law corpuses. In the second part, the rationale behind copyright law in both systems are discussed. The third and main part of the analysis consists of a presentation and discussion of the statistical analysis performed on the coding of the cases.

It will be shown that both courts use six of the ten interpretive techniques similarly, and four differently: the main differences are to be found in the interpretation techniques that go back to the legislator's intent. This leads to the conclusion that the interpretation techniques used by both courts fit the underlying, philosophical and thus substantive differences in both systems of copyright law. This insight can contribute to a better mutual understanding of the respective systems across both sides of the Atlantic.

* Many thanks to Tanya Aplin, George Christie, Rebecca Christie, Estelle Derclaye, Kathleen Gutman, Sanne Jansen, Makeen Makeen, Jeff Powell, Eleonora Rosati, to the participants at the 2018 Intellectual Property Scholar Conference (UC Berkeley), and to the several other people who offered many useful suggestions on earlier versions.

Although this author was a fellow at the Court of Justice of the European Union (chambers of Judge Siniša Rodin) between September 2019 and February 2020, this chapter, which was essentially completed before, does not rely on insights gathered during this time.

URLs are mentioned as valid on 1 August 2020.

Contents

Abstract 486
Introduction 488
Method 488
- Case selection 488
- The interpretive spectrum 490
- The substantive spectrum 491
- The processing of the results 492

The Courts 493
- The European Court of Justice 493
- The US Supreme Court 494
- Comparison 496

Statistical-descriptive overview 496
- The European Court of Justice 496
- The US Supreme Court 502
- Conclusion 503

The different scope of copyright protection 504
- The legal foundation of copyright protection 504
- The assessment of the ECJ's reasoning 506
  - Judge Malenovský's views 506
  - Verena Roder's dissertation 507
- The US Supreme Court 507

The statistical findings 508
- The use of the various topoi over time 508
- Comparison of the use of the topoi 509

Discussion 514
- Linguistic-textual arguments 514
  - The text as starting point of any interpretation 514
  - Analysis 516
- The systemic axis 519
  - Contextual harmonization, statutory analogy, and the use of arguments derived from accepted legal principles 519
  - Precedent 520
  - Logical-conceptual arguments 521
  - Historical arguments 521
- The teleological-evaluative axis 522
  - Concepts 522
  - Findings 523
- Trans-categorical arguments 523

Conclusion 523
References 525

Introduction

Both the Court of Justice of the European Union[1] and the Supreme Court of the United States are the final arbiters on copyright law in their respective legal systems. This text compares the copyright case law to analyze whether the technique of constitutional and statutory interpretation either court applies (or does not apply) reflects on the substance of copyright law in either system. In other words: can the differences in substantial copyright law be explained by more than just a difference in the underlying philosophy and the statutory texts they resulted in, but maybe in part by the interpretive techniques used in the elaboration of the case law corpus?

For the purposes of this study, an empirical analysis of the ECJ and US Supreme Court copyright decisions has been conducted using the method of systematic content analysis.[2] This method has already been used successfully in the context of copyright[3] as well as in that of statutory interpretation.[4, 5]

Method

Case selection

The first preparatory step consisted in identifying the corpuses of copyright jurisprudence of both the ECJ and the US Supreme Court.

The European cases were collected using the database on the Court's own website.[6] The list was generated by searching for cases interpreting the relevant Directives (Software,[7] SatCab,[8]

1 Reference will be made to the 'European Court of Justice' (ECJ) (and not to the 'Court of Justice of the European Union' (CJEU)), as only cases from the actual Court of Justice will be examined: the General Court, nor the former Civil Service Tribunal, have any relevant jurisdiction regarding copyright law (comp Marcella Favale, Martin Kretschmer and Paul C Torremans, 'Is There an EU Copyright Jurisprudence? An Empirical Analysis of the Workings of the European Court of Justice' (2016) 79 *MLR* 31, fn 1).

2 This method has been described as follows: 'a scholar collects a set of documents, such as judicial opinions on a particular subject, and systematically reads them, recording consistent features of each and drawing inferences about their use and meaning' (Mark A Hall & Ronald F Wright, 'Systematic Content Analysis of Judicial Opinions' (2008) 96 *Cal L Rev* 63, 64).

3 *See,* e.g. Barton Beebe, 'An Empirical Study of US Copyright Fair Use Opinions' (2008) 156 *U Pa L Rev* 549; Matthew Sag, 'Predicting Fair Use' (2012) 73 *Ohio St LJ* 47; Favale, Kretschmer and Torremans, *id*, n 1; Tito Rendas, 'Copyright, Technology and the CJEU: An Empirical Study' (2018) 49 *IIC* 153; Marcella Favale, Martin Kretschmer and Paul C Torremans, 'Who is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law' (2020) 83 *MLR* 831, and Clark D Asay, Arielle Sloan and Dean Sobczak, 'Is Transformative Use Eating the World?' (2020) 61 *BC L Rev* 905.

4 *See*, e.g. Nicholas Zeppos, 'The Use of Authority in Statutory Interpretation; An Empirical Analysis' (1991–1992) 70 *Tex L Rev* 1073 and Frank B Cross, 'The Significance of Statutory Interpretive Methodologies' (2007) 82 *Notre Dame L Rev* 1971.

5 It must be noted that Eleonora Rosati's recent book *Copyright and the Court of Justice of the European Union* (OUP 2019) contains some similar analyses (and henceforth comparable conclusions) as the ones of the present chapter, which was being elaborated prior to the publication of her book. The major differences lie in the fact that this text compares the working of the ECJ and the US Supreme Court, and its focus on methods of legal interpretation.

6 <curia.europa.eu/juris/recherche.jsf>. The query 'Subject–matter' = 'Copyright and related rights' yields 0 results, apparently due to the fact that this code is not being used for the input of these cases.

7 Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs [1991] OJ L122/42 and Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs [2009] OJ L111/16.

8 Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission [1993] OJ L248/15.

Databases,[9] InfoSoc,[10] Resale Right,[11] Enforcement,[12] Rental and Lending Rights,[13] Term[14]).[15] The list was then pruned from cases that did not involve copyright in a substantive way[16] and is limited to cases decided up to 31 July 2020. This resulted in the identification of 100 judgments and orders rendered between 20 October 1993[17] and 7 July 2020.[18]

The US Supreme Court cases were selected by cross-referencing the list generated by: (1) the Supreme Court Database maintained by Washington University at Saint-Louis,[19] (2) Westlaw and (3) LexisNexis (searching, of course, for cases in copyright law from the US Supreme Court). The resulting list was then pruned to exclude cases that don't interpret any legal provision,[20] interpreting other provisions than either Article I, Section 8, § 8 of the US Constitution or Title 17 of the United States Code (or earlier Copyright Acts). Also here, the list was limited to cases decided up to and including the October Term, 2018. This yielded 71 opinions between 1834[21] and 2020.[22]

The case selection method gives rise to a slight difference in scope between the two categories: procedural aspects will be included in the US Supreme Court cases when they are

9 Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases [1996] OJ L77/2.

10 Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonization of certain aspects of copyright and related rights in the information society [2001] OJ L167/1.

11 Directive 2001/84/EC of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art [2001] OJ L272/32.

12 Directive 2004/48/EC of the European Parliament and of the Council of 29 April 2004 on the enforcement of intellectual property rights [2004] OJ L157/45.

13 Council Directive 92/100/EEC of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property [1992] OJ L346/61 and Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on rental right and lending right and on certain rights related to copyright in the field of intellectual property [2006] OJ L376/28.

14 Council Directive 93/98/EEC of 29 October 1993 harmonizing the term of protection of copyright and certain related rights [1993] OJ L290/9 Directive 2006/16/EC of the European Parliament and of the Council of 12 December 2006 on the term of protection of copyright and certain related rights [2006] OJ L372/12.

15 Of course, several cases interpret dispositions of more than one directive.

Apparently, neither the Orphan Works directive (2012/28/EU, [2012] OJ L299/5) nor the Collective Management directive (2014/26/EU, [2014] OJ L84/72) have yet been interpreted by the Court.

16 The three main reasons for the presence of false positives are (1) the query on the Enforcement Directive yielding results about trade mark, patent, etc. cases, (2) cases about institutional aspects of EU law and (3) cases about private international law (such as Regulations 44/2001 and subsequently 1215/2012, regarding jurisdiction) or procedural aspects.

17 Case C-92/92 *Phil Collins* ECLI:EU:C:1993:847.

18 Case C-264/19 *Constantin Film Verleih* ECLI:EU:C:2020:542.

19 Harold J Spaeth, Lee Epstein, Andrew D Martin, Jeffrey A Segal, Theodore J Ruger, and Sara C Benesh, *2016 Supreme Court Database*, Version 2016 Release 01, <supremecourtdatabase.org>. The data set 'Cases Organized by Issue / Legal Provision Including Split Votes' was used, discarding everything but the entries matching 'Issue' = '80190 patents and copyrights: copyright'.

20 As discussed later, the US Supreme Court acted as an appellate court during the late 18th and most of the 19th Century This means that sometimes cases were brought for review under common law, and the Court would review the decision below without interpreting any actual statutory or constitutional provision. Also, we excluded cases which did not actually interpret any provision (like cases where the Court split 4–4, thus nominally affirming the opinion below without giving any reasoning).

21 *Wheaton v Peters* (1834) 33 US (8 Pet.) 591. Incidentally, it is somewhat ironic that the *Peters* indicated in the citation, the court reporter, is the actual party of the case.

It should also be noted that the first copyright case only came out 45 years after the creation of the Supreme Court, written by the 21st Justice to serve, John McLean.

22 *Georgia v Public.Resource.Org, Inc.* (2020) 590 US ___, decided on 27 April 2020.

regulated by Title 17 of the USC, but not in the ECJ corpus as they usually are not regulated by the Directives mentioned above.[23]

The interpretive spectrum

The first 'axis' of the analysis encompasses the interpretive methods that can be used by the courts in question.

Several scholars have identified a range of interpretive methods (*topoi*, or modalities[24]), ranging from a basic spectrum[25] to more sophisticated variations of that spectrum.[26] Using this methodology, the interpretation used in different specific systems with their own history and practices can be compared in a useful way, without the analysis being tainted by the specificities of that system, such as the very distinct approaches toward federalism in the US and in the EU, or the traditions and philosophies regarding American constitutional interpretation (of course, as copyright is specifically addressed in the US constitution—Article I, Section 8, § 8—the US Supreme Court case law contains both questions of constitutional and statutory interpretation).

The spectrum used here derives from MacCormick, Summers and Taruffo[27] and consists of 10 factors or *topoi*[28]:

I Linguistic arguments

1 Arguments from the **standard ordinary or technical meaning of ordinary words or of technical words**, legal or non-legal[29]

II Systematic (or systemic) arguments

2 **Contextual harmonization** (seek to ensure consistency in the use of the words in different legal provisions)

23 It is only when a case arising under a non–copyright–specific Directive (e.g. the Enforcement Directive), where the factual subject matter regarded copyright or related rights, that this case would match our selection criteria.

24 Philip Bobbitt famously identified six 'modalities' of constitutional interpretation: the historical, textual, structural, doctrinal, ethical and prudential ones (*Constitutional Fate* (OUP 1982) 7 and *Constitutional Interpretation* (Blackwell 1991) 12–13 and 127–140).

25 *See,* e.g. Wilson Huhn, *The Five Types of Legal Argument* (3rd ed., Carolina Academic Press 2014) 13, who differentiates between arguments deriving from text, intent, precedent, tradition and policy.

26 Comp Lackland H Bloom, Jr, *Methods of Interpretation: How the Supreme Court Reads the Constitution* (OUP 2009) xx–xxiv, who differentiates between textualism, intratextualism and textual purpose, original understanding, tradition and practice, structural reasoning, precedent, deriving doctrine, shaping, clarifying and changing doctrine, consequential reasoning and ethical argument.

27 Robert Summers and Michele Taruffo, 'Interpretation and Comparative Analysis', and Neil MacCormick and R Summers, 'Interpretation and Justification' in Neil MacCormick & Robert Summers (eds), *Interpreting Statutes* (Ashgate 1991) 465–466 and 512–515. *See also* Gunnar Beck, *The Legal Reasoning of the Court of Justice of the EU* (Hart 2012) 129–133. The methodology of these authors has not only been recognized on an international level, it also makes abstraction of system–specific aspects, which are especially prone to 'contaminate' the analysis of authors interpreting the US Constitution on the one hand or the EU *acquis* on the other hand.

28 The specificities of these *topoi* will be discussed further below, together with the analysis of their use by either court.

29 In MacCormick, Summers and Taruffo's taxonomy this criterion is divided in two: (1) 'arguments from a standard *ordinary meaning* of ordinary words used in the specific section of the statutory text' and (2) 'arguments from a standard *technical meaning* of ordinary words or of technical words, legal or non–legal'. Both will be grouped together because it is not useful to distinguish between these two forms of textual interpretation in the present context. The first instance can be equated to the 'literal' method of interpretation, as defined by Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020) 13: 'the action of giving meaning to a normative text in light of the ordinary meaning of the words'.

3 **Precedent**
4 **Statutory analogies** (between different statutes)
5 **Logical-conceptual arguments** (which focus on the logical implications of a recognized general legal concept that appears expressly or implicitly in the provision to be interpreted; aim to ensure that recognized general legal concepts are used consistently within the legal system)
6 **Arguments coherent with accepted general legal principles**
   i general propositions of substantive law widely applicable within a particular branch of law
   ii general propositions of law, substantive or procedural, widely applicable throughout the entire legal system
   iii substantive moral norms previously invoked by judges when interpreting statutes (independently or as presumptions of legislative assumption)
7 **Historical arguments** (which do not derive their force from language, contextual harmonization or substantive coherence)

III Teleological/evaluative arguments
8 **Teleological arguments**
9 **Substantive moral, political, economic or other social reasons**

IV Trans-categorical arguments
10 Arguments referring to the **legislative intent that the words be given a particular meaning**.[30]

As we see, the ten *topoi* can be merged into four categories: (i) linguistic, or textual arguments, (ii) systematic (or systemic) arguments, (iii) teleological and evaluative arguments, and (iv) the interesting category consisting of a mix of textual and teleological reasons, arising when the legislator itself provides an (expressed or implied) definition of terms or concepts.

The substantive spectrum

The second 'axis' of our analysis is of course the subject matter of the case: which aspect of copyright law is being decided? As far as the substance of the law is concerned, we have made use of the 15 points systematic the authors of *Sterling on World Copyright Law* use.[31] With three slight variations, however: the first and the third points (*Structure of protection* and *General overview*) have no relevance in the analysis of the substance of copyright law, nor are they the object of case law. We will also split up the point regarding remedies and enforcement,

30 This is the case when the legislator provided a definition for any given term. Hence, it is at the same time a textual argument and a teleological one.

31 Trevor Cook (ed), *Sterling on World Copyright Law* (4th ed., Sweet & Maxwell 2015) x–xi. By comparison, Silke von Lewinski (ed), *Copyright Throughout the World* (Thompson West, loose-leaf) uses the systematic: I. Legal basis, II. Subject matter of protection, III. The author or other copyright owner, IV. Contents of protection, V. Limitations and exceptions; compulsory licenses, VI. Duration of protection, VII. Related rights, VIII. Rights management, IX. Enforcement, X. Conflict–of–law rules and status of foreigners.

in order to reflect enforcement through criminal prosecution as a separate category. The taxonomy is the following:

1 Basis of protection: the nature of the rights granted, the juridical, economic and social theories justifying the rights
2 Terminology: the particular meanings of basic terms, and interpretation
3 Beneficiaries of protection: the persons who enjoy rights under the legislation, either initially or by some transfer or license
4 Subject matter of protection: the productions which are protected, such as works, performances, sound recordings and films
5 Protection criteria: the conditions for enjoyment of protection (e.g. whether a work needs to be in writing, and whether tests of originality, nationality or place of publication, etc. apply)
6 Economic rights: the rights which are granted in order that the right owner may control and profit from the exploitation of the production, e.g. the right to make copies, or to authorize public performance
7 Moral rights: the rights, such as those of identification of the author (or performer) and maintenance of the work's (or performance's) integrity
8 Limitations and exceptions: provisions limiting the application or scope of rights, e.g. in relation to private use or education
9 Term of protection: the term during which the granted rights subsist
10 Exercise of rights: the rules governing the way in which rights are transferred, licensed and applied in practice, contractual provisions and collective administration
11 Infringement: considerations considered when determining whether rights have been infringed
12 Remedies and enforcement: the legal sanctions and remedies for, and procedures in respect of, infringement
13 Penalties and criminal procedure: same, regarding criminal prosecution
14 Additional legislative features (procedural matters, transitional and applicatory provisions)

The processing of the results

After identification of the relevant cases, those were processed as follows:

– the parameters of the cases were tabulated (subject matter, author of the opinion, interpreted norm, question, etc., according to close to 20 variables[32])
– the cases were read and the use (whether) of any *topos* was tallied
– the cases were then re-read and encoded for the use of these *topoi* (which allows one to determine how many times any *topos* was used in a case)
– the cases were read a third time to ensure consistency in the coding
– the results of this coding were extracted and statistically analyzed[33]

32 Due to the role of the Advocates General in the ECJ, the same number of parameters does not apply to both bodies of cases.

33 The coding was done using *Nvivo* 11.4.1 (2079) to 12.6.0 (3841), the data gathered in *Excel 2016* (15.37 to 16.40), and *R* 4.0.2 in *RStudio* 1.3.959 was used for the statistical analysis and its processing as well as the production of charts (all for MacOS).

The Courts

The European Court of Justice

The European Court of Justice was founded in 1952 as the Court of Justice of the European Coal and Steel Communities, becoming the Court of Justice of the European Communities in 1958. Since 2009, the Court of Justice has been part of the Court of Justice of the European Union (CJEU), which also includes the General Court, and whose mission is to 'ensure that in the interpretation and application of the Treaties the law is observed'.[34]

The Court, which has one judge from each Member State,[35] can sit in four different formations: a chamber with three judges (requiring unanimity to decide), a chamber with five judges (requiring a majority of 3), the Grand Chamber of 15 judges[36] or the full Court, at least requiring 17 judges, but always an uneven number.[37] The default situation consists of a panel of 5.

As summarized by the Court itself,[38] its mission is to:

- 'review the legality of the acts of the institutions of the European Union',[39]
- 'ensure that the Member States comply with obligations under the Treaties'[40], and
- 'interpret European Union law at the request of the national courts and tribunals. The Court has jurisdiction to give preliminary rulings concerning (a) the interpretation of the Treaties and (b) the validity and interpretation of acts of the institutions, bodies, offices or agencies of the EU'.[41]

In the first (judicial review) and second (compliance) instances, actions can be brought by a Member State, an institution or a natural or legal person.[42] It is, however, the last possibility that is relevant in the present context: the entire corpus of substantive copyright case law originated from cases referred to the Court by national courts requesting a preliminary ruling.[43]

The President assigns each incoming case to a so-called judge-*rapporteur*.[44] It is his team which will, first of all, draft a preliminary *report*, which will allow the full Court (judges and advocates general together) to decide on the treatment to give to the case (whether the case should be heard by a chamber of three or five judges, or by the Grand chamber; whether the

34 Article 19(1) Consolidated version of the Treaty on European Union [2016] OJ C202/13 (TEU).

35 Article 19(2) TEU.

36 Many Grand Chamber cases are decided by 13 or 11 judges. This is due to the fact that if any member of the original composition is not part of the Court at the time of the decision (for instance, due to retirement or non-renewal of their mandate), the most junior sitting member also drops out to revert to an uneven number of judges.

37 Article 17 Statute of the CJEU (Consolidated version of Protocol (No 3) on the Statute of the Court of Justice of the European Union, annexed to the Treaties [2019] OJ L111/1).

38 ECJ, 'General Presentation' «http://curia.europa.eu/jcms/jcms/Jo2_6999/en».

39 Article 263 Consolidated version of the Treaty on the Functioning of the European Union [2016] OJ L202/47 (TFEU).

40 *See mainly* Articles 258 and 259 TFEU.

41 Article 267, § 1 TFEU.

42 Article 19(3)(a) TEU.

43 *See* Koen Lenaerts, Ignace Maselis & Kathleen Gutman, *EU Procedural Law* (OUP 2015) ch 6.

44 Article 15(1) Rules of Procedure of the Court of Justice of 25 September 2012, as amended on 18 June 2013, on 19 July 2016, on 9 April 2019 and on 26 November 2019, [2019] OJ L316/103. According to an unwritten practice, the judge from the country where the case originated is never assigned in this role. The President also does not serve as *rapporteur*, barring exceptional circumstances.

case is evident and can be disposed of through an order instead of a judgment; whether it is necessary for the Advocate General to advise in writing).

Indeed, a characteristic feature of the procedure before the Court is the Opinion given by the Advocates General.[45] Their duty is, 'acting with complete impartiality and independence, to make, in open court, reasoned submissions on cases which […] require [their] involvement'.[46] Formally members of the Court, one of them renders an advisory opinion before the judicial deliberation,[47] and it has been shown that the positions they take is influential for the Court.[48] No real equivalent of this function can be identified in the US system.[49] When it considers that the case raises no new point of law, the Court may decide, after hearing the Advocate General, that the case shall be determined without a submission from the Advocate General.[50]

After a case has been heard—and usually after having received the Opinion of the appointed Advocate General—the chamber decides as a collegiate organ. Judgments are then elaborated based on drafts from the *rapporteur*'s chambers, upon which the other judges suggest both substantial and formal edits. The final product is the result of this process, leading to as close to a consensus as possible. There is no possibility to express separate opinions or dissents.[51]

The US Supreme Court

The Supreme Court was established by the US Constitution and started to function in 1790, after ratification. It is the only court specifically mentioned in the Constitution.[52] The Court only became an institution of major political importance after it awarded itself the power of judicial review.[53]

Noting that '[t]here is relatively little disagreement about the function of the Supreme Court in the American system of government', Chemerinsky summarizes four functions[54]:

- 'it serves as authoritative voice as to the meaning of the United States Constitution'
- 'to ensure the supremacy of federal law'
- to resolve 'conflicting interpretations of federal law among the various state and federal courts'
- 'it is the definitive voice in interpreting federal statutes'.

45 *See* in general, Michal Bobek, 'A Fourth in the Court: Why Are There Advocates General in the Court of Justice' (2011–2012) 14 *Cambridge YB Eur Legal Stud* 529.

The opinions of the Advocates General will not be included in the scope of this study.

46 Article 252, § 2 TFEU.

47 *See*, for a detailed description of the role of the Advocate Generals' opinions in the Court's working, Mitchel Lasser, *Judicial Deliberations; A Comparative Analysis of Judicial Transparency and Legitimacy* (OUP 2004)113–140.

48 *See* Carlos Arrebola, Ana Júlia Maurício and Héctor Jiménez Portilla, 'An Econometric Analysis of the Influence of the Advocate General on the Court of Justice of the European Union' (2016) 5 *Cambridge J Int & Comp* L 82 (concerning annulment proceedings).

49 As tempting as it would be to compare the Advocates General to the Solicitor General's office but one that is integrated within the Court, the SG's position before the US Supreme Court would be more adequately compared to that of the agents of the EU Commission appearing before the CJEU.

50 Article 20, § 5 Statute of the CJEU.

51 *See*, in general, Siniša Rodin, 'The Subject and Object in the Interpretation of EU Law', in Samo Bardutzky & Elaine Fahey (eds), *Framing the Subjects and Objects of Contemporary EU Law* (Edward Elgar 2017) 31, 35–41.

52 Article III, Section 1 This article further mentions 'such inferior Courts as the Congress may from time to time ordain and establish'. This was done by the Judiciary Act of 1789 (1 Stat 73, § 1), which also set the number of Supreme Court Justices at six (the current number is nine, per Act of 10 April 1869, 16 Stat 44).

53 *Marbury v Madison* (1803) 5 US (1 Cranch) 137.

54 Erwin Chemerinsky, *Federal Jurisdiction* (5th ed., Wolters Kluwer 2007) 656.

The Judiciary Act of 1789 provided for the possibility of appeals through a *writ of error* and the Court had no discretion in deciding whether to take the case or not. Before the creation of the Circuit Court of Appeals,[55] the Supreme Court was thus what could be described as a national court of appeals.

An interesting feature is the possibility of appellate courts to certify questions to the Supreme Court.[56] Although this is 'one of few remnants of the mandatory appellate jurisdiction scheme of old',[57] the Court nowadays systematically rejects such requests out of hand.[58] The Court accepted only four certifications since WWII[59] and the last instance occurred in 1981.[60] Ironically, this means that the practice of certification of questions by the US Supreme Court and the referral of questions to the ECJ by national courts practically never coincided.

It is important to remember that the present Supreme Court does have the prerogative to select whatever cases it will hear (barring some rare exceptions which do not matter in the present context[61]), by granting or denying *certiorari*. This method was introduced by the Judiciary Act of 1925.[62] Since the Supreme Court Case Selections Act of 1988,[63] no right of direct appeal to the Supreme Court remains.[64] An unwritten custom within the Court, in place at least since 1924, requires a case to be heard whenever four Justices decide so.[65]

In any given term, the Court routinely hears about 1% of the cases in which *certiorari* was applied for. The Supreme Court Rules explicitly state[66] that '[r]eview on a writ of certiorari is not a matter of right, but of judicial discretion'. The Rules give three indicative reasons for the Court to consider a case, of which the 'circuit split'[67] is the most controlling one.[68, 69]

In the context of copyright law, the jurisprudence of Court mainly consists of interpretation of federal statutes (more precisely, Title 17 of the United States Code, or its predecessors), and occasionally the interpretation of Article I, Section 8, § 8 of the Constitution.

55 Judiciary Act of 1891, 26 Stat 826.

56 28 USC § 1254 (2): 'By certification at any time by a court of appeals of any question of law in any civil or criminal case as to which instructions are desired, and upon such certification the Supreme Court may give binding instructions or require the entire record to be sent up for decision of the entire matter in controversy'.

57 Amanda L Tyler, 'Setting the Supreme Court's Agenda: Is There a Place for Certification?' (2010) 78 *Geo Wash L Rev* 1310, 1321.

58 *See,* e.g. *US v Seale* (2010) 558 US 985.

59 Aaron Nielson, 'The Death of the Supreme Court's Certified Question Jurisdiction' (2010) 59 *Cath U L Rev* 483, 486–487.

60 *Iran Natl Airlines v Marschalk* (1981) 453 US 919.

61 'Original jurisdiction', *see* 28 USC § 1251. We do not discuss these instances further (e.g. suits between states, which are not relevant here).

62 43 Stat 936.

63 102 Stat 662.

64 28 USC § 1257 (a).

65 Lee Epstein & Jack Knight, *The Choices Justices Make* (CQ Press 1998) 118; Joan Maisel Leiman, 'The Rule of Four' (1957) 57 *Colum L Rev* 975, 981–982. *See also*, *New York v Uplinger* (1984) 467 US 246, 249 (Stevens, J, concurring).

66 Sup Ct R 1.

67 *Id*: 'a United States court of appeals has entered a decision in conflict with the decision of another United States court of appeals on the same important matter'.

68 HW Perry, Jr, *Deciding to Decide: Agenda Setting in the United States Supreme Court* (Harvard 1991) 251.

69 Rule 10 adds: 'A petition for a writ of certiorari is rarely granted when the asserted error consists of erroneous factual findings or the misapplication of a properly stated rule of law'.

See Erwin Chemerinsky, *id* 672–680, and for a view from the inside regarding this process, William H Rehnquist, *The Supreme Court* (Vintage 2002) 232–236.

Comparison

As we see, the two courts we will be dealing with have a similar function albeit their mechanisms vary: both have an outspoken role in preserving or achieving the unity of statutory of constitutional[70] interpretation within their jurisdiction. The way cases reach them differs greatly. The mechanism of *certiorari* before the US Supreme Court, petitioned by parties, is altogether different from the technique of preliminary ruling requested from the ECJ by the national courts within the EU However, a similar mechanism—certification of questions—that was known at the US Supreme Court, is no longer in use.

Statistical-descriptive overview

The European Court of Justice

When examining the data about the copyright cases in the ECJ, two points stand out. First, the number of those cases almost perfectly describes a quadratic curve, although with a hiatus in 2017–2018 (Figure 24.1).

Courts from only 19 Member States have referred requests for preliminary rulings in copyright cases to the ECJ, and only 13 of them have done so more than once. Half of these questions were referred by supreme courts (which, unlike lower courts, have an actual obligation to do so).[71] It is interesting to note, however, that the number of referrals by courts of appeals is half that asked by basic level courts.

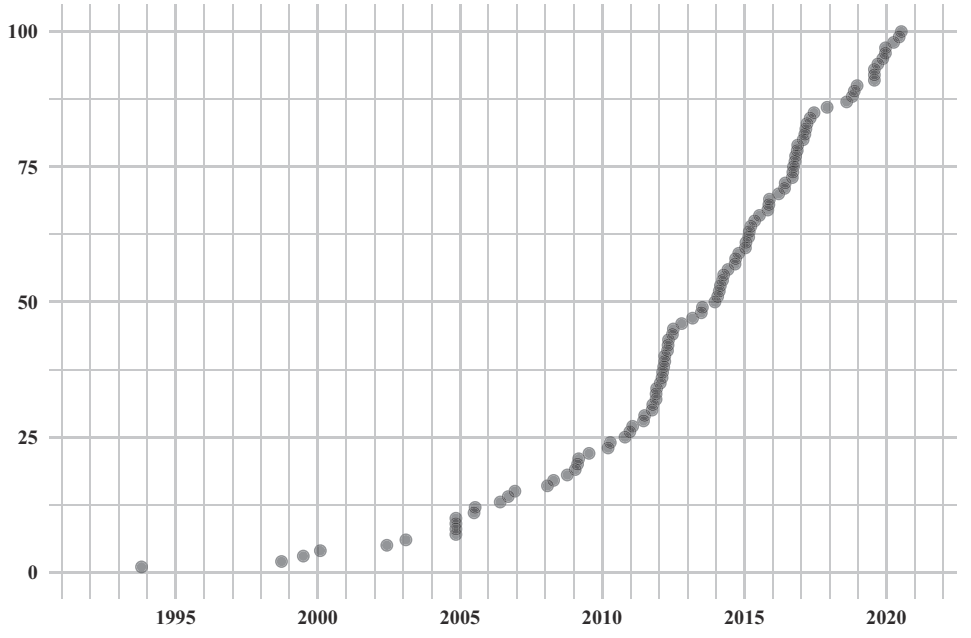

Figure 24.1 Pace of cases (ECJ).

70 Insofar as the EU Treaties can be equated to a constitution.

71 *See* Article 267, § 3 TFEU. A national court against whose decisions there is no judicial remedy is under obligation to refer questions of EU law to the CJEU, unless it has established that the question raised is irrelevant or that the provision in question has already been interpreted by the Court of Justice (*acte éclairé*) or that

Table 24.1 Origin of ECJ referrals

Country	*1st Inst Ct*	*Ct Appeals*	*Supr Ct*	*Int'l Ct*	*Total*
Germany	4		21		25
The Netherlands	3	2	8		13
Belgium	4	6	2		12
United Kingdom	4	4	1		9
Austria	4		4		8
France	2	1	4		7
Spain	2	3	2		7
Sweden		1	6		7
Denmark	1		5		6
Italy	4	1	1		6
Czech Republic	1		1		2
Greece	1		1		2
Ireland	2				2
Latvia	1	1			2
Portugal	1		1		2
Bulgaria	1				1
Finland	1				1
Poland			1		1
Romania			1		1
Benelux				1	1
Total	36 (31.9%)	19 (16.5%)	59 (51.3%)	1 (0.87%)	115

In this table, referrals are counted up to 31 July 2020 (even if no judgment has been given yet). Furthermore, we count the referrals by different courts, but consolidated by the Court, separately (Joined Cases C-92 & 326/92 *Phil Collins and Patricia* ECLI:EU:C:1993:847; Joined Cases C-403 & 429/08 *FAPL and Murphy* ECLI:EU:C:2011:631), unless the same national court referred different joined cases by decisions rendered on the same day (Joined Cases 431-2/09 *Airfield and Canal Digitaal* ECLI:EU:C:2011:648; Joined Cases C-457-60/11 *VG Wort, Canon Deutschland, Fujitsu Technology Solutions and Hewlett-Packard* ECLI:EU:C:2013:426).

Full disclosure: two cases included in this table (C-372/19 *Sabam* ECLI:EU:C:2020:959 and C-597/19 *M.I.C.M.*) were referred to the Court by a panel of the Antwerp (Belgium) Commercial Court presided by the author of the present chapter.

One referral originated from another international court, the Benelux Court (Table 24.1).

Second, the very specific authorship of the judgments in this matter is noteworthy. There are 28 judges in the ECJ, one per Member State.[72] It is the practice of the Court that one judge takes the lead in the handling of a case.

In the examined timeframe, 67 judges have served on the court; 19 of them have been *rapporteur* in a copyright or related case (Table 24.2).

the correct application of EU law is so obvious as to leave no scope for any reasonable doubt (*acte clair*) (Case C-283/81 *CILFIT* ECLI:EU:C:1982:335). A refusal to do so can constitute a failure by the member state to fulfill its obligation under EU law (Case C-416/17 *Commission v France* ECLI:EU:C:2018:811).

72 Article 19, § 2 TEU.

Table 24.2 Authorship of ECJ opinions

Rapporteur	*Tenure*	*Copyright cases*	*Database cases*	*Software cases*	*Total*
J Malenovský	2004–2020	46			46
M Ilešič	2004–	13			13
K Lenaerts	2003–		10	1	11
G Arestis	2004–2014	2		2	4
K Jürimäe	2013–	3			3
A Prechal	2010–	3			3
J–P Puissochet	1994–2006	3			3
M Berger	2009–2019	2			2
T von Danwitz	2006–	1	1		2
M Vilaras	2015–	1		1	2
F Grévisse	1981–1982 & 1988–1994	1			1
E Jarašiūnas	2010–2018	1			1
I Jarukaitis	2018–			1	1
P Kapteyn	1990–2000	1			1
E Juhász	2004–	1			1
U Lõhmus	2004–2013	1			1
M Safjan	2009–	1			1
K Schiemann	2004–2012	1			1
R Silva de Lapuerta	2003–	1			1
C Timmermans	2000–2010	1			1
M Wathelet	1995–2003	1			1
Total		84	11	5	100

One notices that Judge Malenovský has authored 54.7% of all the judgments in pure copyright cases so far.[73] This proves that the assignment of cases is hardly random.[74] Judge

73 Counted from the start of his tenure on the 1 May 2004, it is 58.2% (46 out of 79) Judge Malenovský was responsible for a total of 239 published judgments and orders till his retirement on 6 October 2020, which means that copyright cases constituted one fifth (19.3%) of his case load.

To put things in perspective: Judge Malenovský authored a streak of 14 successive pure copyright judgments between 16 June 2011 and 26 April 2012. The latest 12 of those were rendered in a period of six months, meaning that on average one copyright judgment by Judge Malenovský came out every two weeks.

Simultaneously, Judge Malenovský published a speech he had given commenting on the role of the Court in copyright cases ('La contribution de la Cour de justice à l'harmonisation du droit d'auteur dans l'Union européenne' (2012) 13 ERA Forum 411). These views are of course extremely valuable and will be commented upon further down.

74 As there are 28 judges on the Court (27 since *Brexit*, but all the cases discussed here were referred earlier) and the judge from the country where the case originated cannot be appointed as *rapporteur* and neither is the President, the theoretical truly random probability of being assigned a case (p_0) is 1:26 (= .038), and the observed probability for Judge Malenovský's (p) is .582, while the population of pure copyright cases since his appointment (n) is 79. This yields a z-score of 25.13, which means that that there is 2.09×10^{-139} probability of the assignments to him being random.

(now President) Lenaerts is virtually the sole author of the database case law corpus.[75] While he will probably never be able to catch up with Judge Malenovský, it has become apparent that copyright cases are now being assigned almost exclusively to Judge Marko Ilešič, the judge from Slovenia, and earlier *rapporteur* in many trade mark cases.

As far as the Advocates General[76] are concerned, no clear differentiation in subject matter could be seen for a long time. It is the First Advocate General—elected by his peers for a renewable three-year term,[77] like the President and Vice-President of the Court[78]—who assigns incoming cases to an Advocate General, independently from the assignment of the case to a judge-*rapporteur* by the President.[79] Advocates General Sharpston, Cruz Villalón and Trstenjak used to have a higher proportion of copyright cases assigned to them, without it being clear that the genuinely specialized in the matter.

However, three salient points can be noted:

– the high rate of authorship of Judge Malenovský makes that he repeatedly worked with the same Advocates General: Trstenjak worked on 10 of the same cases, Sharpston on 8, Cruz Villalón and Szpunar on 6 and Bot, Jääskinen and Wathelet on 3;
– Advocate General Bot rendered an opinion in 3 out of the 4 software cases.
– Advocate General Szpunar has emerged as the copyright law specialist among Advocates General. He is already the front runner in number of opinions given and is slated to give them in several more pending cases.

The tally of cases assigned per Advocate General is the following, distinguishing between cases where no opinion was given and those that followed the normal course (Table 24.3):

Economic rights constitute most of the issues addressed by the ECJ in the cases at hand, followed at a great distance by those about the limitations and exceptions.[80] This is hardly surprising given the economic *raison d'être* of the European Union: it is the idea(l) of a single market which drives the harmonization process (Table 24.4).[81]

75 He was furthermore *rapporteur* in case C-138/11 *Compass–Datenbank* ECLI:EU:C:2012:449, concerning the position of a public authority as right holder on a database (we do not consider this case here because it interprets Article 102 TFEU and not the Database Directive itself).

76 They are eleven Advocates General. Five of them are permanently appointed by the 'large' countries (France, Germany, Italy, Poland, Spain, and formerly the UK), while the remaining six are appointed by the other countries, in rotating order, for a mandate of six years (these proportions have been inverted since Brexit took full effect). This implies that the mandate of Advocates General from the former category can be renewed, while that of those of the latter category cannot.

77 Article 14(1) Rules of Procedure.

78 Article 8 Rules of Procedure.

79 Article 16(1) Rules of Procedure.

80 One case can address more than one matter. Not the question referred by the national courts, but specifically those addressed by the ECJ in its judgments were tallied (the Court frequently regards some questions as moot because of the answer of a previous one in the same case, or merges the answers of several questions into one answer). The 100 cases yielded 179 answers.

81 The recitals of all but one of the concerned directives refer to the internal market (those of the InfoSoc Directive 19 times; Recital 7 specify that '[t]he Community legal framework for the protection of copyright and related rights must […] be adapted and supplemented as far as is necessary for the smooth functioning of the internal market'). Many cases also explicitly refer to the need of a 'proper [or smooth] functioning [or operation] [of the] internal market' (Case C-245/00 *SENA* ECLI:EU:C:2003:68, para 28; Case C-479/04 *Laserdisken* ECLI:EU:C:2006:549, para 26; Case C-240/07 *Sony Music* ECLI:EU:C:2009:19, paras 23 and 34; Case C-518/08 *Fundación Gala-Salvador Dalí & VEGAP* ECLI:EU:C:2010:191, para 31; Case C-467/08 *Padawan* ECLI:EU:C:2010:620, para 35; Case C-168/09 *Flos* ECLI:EU:C:2011:29, para 43; Case C-510/10 *DR and*

Table 24.3 Advocates general

Advocate General	*tenure*	*opinion*	*no opinion*	*total*
M Szpunar	2013–	13	1	14
E Sharpston	2006–2020	9	5	14
P Cruz Villalón	2009–2015	9	2	11
V Trstenjak	2006–2012	7	3	10
Y Bot	2006–2019	5	5	10
M Wathelet	2012–2018	4	2	6
M Campos Sánchez–Bordona	2015–	6		6
N Jääskinen	2009–2015	5		5
H Saugmandsgaard Øe	2015–	3		3
Chr Stix–Hackl	2000–2006	4		4
D Ruiz–Jarabo Colomer	1995–2009	3		3
F Jacobs	1988–2006	1	1	2
J Kokott	2003–	2		2
A La Pergola	1995–1999	2		2
P Mengozzi	2006–2018	2		2
A Tizzano	2000–2006	2		2
N Wahl	2012–2019	1	1	2
G Cosmas	1994–2000	1		1
G Hogan	2018–	1		1
Total		80	20	100

Table 24.4 Subject matter (ECJ)

Economic rights	91
Limitations & exceptions	28
Remedies & enforcement	14
Terminology	10
Additional legislative features	9
Subject matter	6
Infringement	6
Basis of protection	5
Term	5
Protection criteria	3
Beneficiaries	2

TV2 Danmark ECLI:EU:C:2012:244, para 35; Case C-128/11 *UsedSoft* ECLI:EU:C:2012:407, para 41; Case C-466/12 *Svensson ea* ECLI:EU:C:2014:76, para 36; Case C-435/12 *ACI Adam* ECLI:EU:C:2014:254, paras 33–35; Case C-419/13 *Art & Allposters International* ECLI:EU:C:2015:27, para 30; Case C-41/14 Christie's France ECLI:EU:C:2015:119, paras 29 and 31; Case C-279/13 C More Entertainment ECLI:EU:C:2015:199, para 29; Case C-174–15, *Vereniging Openbare Bibliotheken* ECLI:EU:C:2016:856, para 70; Case C-469/17 *Funke Medien NRW* ECLI:EU:C:2019:623, para 62; Case C-476/17 *Pelham* ECLI:EU:C:2019:624, para 63; Case 516/17 *Spiegel Online* ECLI:EU:C:2019:625, paras 25, 35 and 47).

See in general, Mireille van Eechoud, 'The European Concern with Copyright and Related Right', in P. Bernt Hugenholtz (ed), *Harmonising European Copyright Law: The Challenges of Better Lawmaking* (Kluwer 2009) ch 1; Jonathan Griffiths, 'Constitutionalising or Harmonising? The Court of Justice, the Right to

It will also hardly be a surprise that the InfoSoc Directive is the instrument most interpreted in the answers by the Court (Table 24.5).

The categories of the parties[82] will also yield very little surprise: the collective management organizations (CMO), right holders and authors make up for the bulk of the original plaintiffs (80%). The users, (reproached) infringers and sellers constitute the majority (63.75%) of the defendants (Table 24.6).

Table 24.5 Interpreted norms (ECJ)

InfoSoc Directive	2001/29	101
Database Directive	96/9	18
Rental & Lending Right Directive	92/100 & 2006/115	16
SatCab Directive	93/83	7
Enforcement Directive	2004/48	6
Software Directive	91/250 & 2009/24	6
European Union Treaties		5
Term Directive	93/98 & 2006/116	5
Electronic Commerce Directive	2000/31	3
Resale Right Directive	2001/84	2
Designs Directive	98/71	2
Personal Data	95/46	1
Data Privacy	2002/58	1
Charter of Fundamental Rights		1

Table 24.6 Parties (ECJ)

Plaintiff		*Defendant*	
CMO	32	User / infringer	52
Rightholder	30	Seller	12
Author	18	State	10
Seller	6	Broadcaster	10
User	5	ISP	6
Broadcaster	4	Rightholder	4
Publisher	2	CMO	4
State	2	Author	1
		Publisher	1

Property and European Copyright Law' (2013) 38 *Eur L Rev* 65, discussing the Court's 'harmonization agenda'; Julien Cabay 'La Cour de justice, le droit d'auteur, et le marché numérique: voyage intertextuel au pays des hyperliens', in Nicolas Berthold (ed) *Droit de la propriété intellectuelle* (Larcier 2019) 51, 56–58.

Also, moral rights are explicitly excluded from harmonization, per Recital 19 of the InfoSoc Directive.

82 Plaintiff and defendants refer to the parties at the time the case was initiated, regardless from later procedural developments or appeals.

The US Supreme Court

The temporal range of the copyright cases is considerably larger (from 1834 to 2017) and the pace has been a lot more gradual and linear.[83] The adoption of new Copyright Acts in 1909 and 1976 did not have any influence on the pace of the cases (the vertical dotted lines indicate the dates on which new copyright acts became effective) (Figure 24.2).[84]

The authorship of the opinions has been more diffuse, with only a handful justices authoring more than a few. Out of a total of 114 justices, 36 authored copyright decisions. Presently sitting justices, indicated in boldface, of course still have the potential of writing further copyright opinions (Table 24.7).[85]

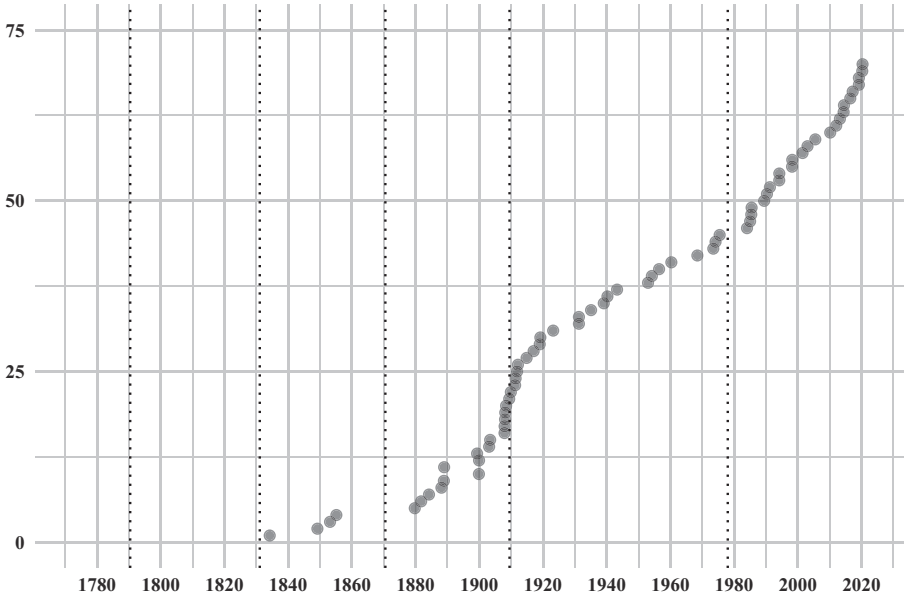

Figure 24.2 Pace of cases (SCOTUS).

83 It is noteworthy that the first copyright case arose in 1834, which means that no case was brought before the Court under the original Act of 1790 (1 Stat 124), but only after its first major revision by the Act of 1831 (4 Stat 436).

84 The temporary increase one notices around 1910 started *before* 1909.

85 This study only takes majority opinions into account. However, it is noteworthy that Justice Breyer wrote five dissenting opinions as well as a concurring opinion in copyright cases. This is not surprising given his early interest in the matter: *see* Stephen Breyer, 'The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies, and Computer Programs' (1970) 84 *Harv L Rev* 281, the article that secured his tenure at Harvard Law School (*see* Stephen G Breyer, 'The Uneasy Case for Copyright: A Look Back Across Four Decades' (2011) 79 *Geo Wash L Rev* 1635, 1635 and 1643).

Moreover, it transpired that Justice Thomas has been close to adding a number to his count, since the opinion in the most recent case, *Georgia v Public.Resource.Org, Inc.* (2020) 590 US ___, had first been assigned to him, but he lost the majority so that Chief Justice Roberts ended up writing for the majority (see Joan Biskupic, 'Behind closed doors during one of John Roberts' most surprising years on the Supreme Court' (CNN, 27 July 2020) «https://www.cnn.com/2020/07/27/politics/john-roberts-supreme-court-liberals-daca-second-amendment/index.html»).

Table 24.7 Opinion authorship (SCOTUS)

W R Day, O W Holmes	6
R B Ginsburg	5
H B Brown, C E Hughes, S D O'Connor, P Stewart, JP Stevens, **C Thomas**	3
S Blatchford, L D Brandeis, **S G Breyer**, **E Kagan**, J McLean, S F Miller, D H Souter	2
H A Blackmun, W E Burger, B R Curtis, W O Douglas, F Frankfurter, J M Harlan II, R H Jackson, **B M Kavanaugh**, T Marshall, J McKenna, J C McReynolds, S Nelson, R W Peckham, M Pitney, S F Reed, W H Rehnquist, **J G Roberts**, O J Roberts, W VanDevanter, M R Waite	1

As far as the origin of the cases is concerned, it will be no surprise that 26 originate from the Court of Appeals from the 2nd Circuit—based in New York, as are many publishing companies—and 10 from the 9th Circuit, 'the Hollywood Circuit'.[86] No other court has ever sent more than 3 copyright cases to the Supreme Court.[87] Only two cases did not originate from a Federal but from a state court.[88]

As the parties are concerned, in 27 cases the petitioner was the author or copyright holder and in 11 cases a publisher. The author was respondent in 20 cases and so was a publisher in 10 cases. All other actors only sporadically appear as parties.

As far as the topics addressed are concerned, we see a picture that is dramatically different from the same tally of the ECJ cases: economic rights questions do not constitute the vast majority of the questions addressed (Table 24.8).[89]

Conclusion

In summary, the contrasts in the ECJ metrics are far greater than in the US Supreme Court ones. This is true on many levels: the authorship of the opinions, the originating courts, and the subject matter addressed. All of this can be explained by the wider temporal range and single cultural legal background of the American cases, and by the origin of the EU as an economic union.

We will now turn to more substantial aspects, namely the way both courts interpret copyright law. For this we first must remember briefly the distinct underpinnings of copyright law in both American and European-continental systems.

86 *White v Samsung Elec Am* (1993) 989 F2d 1512, 1521 (9th Cir Kozinski J dissenting).

87 Given the evolution in the way cases get to the Supreme Court, it is not useful to make a subdivision in function of the level of the originating court It is, however, noteworthy that no copyright case before the Supreme Court originated from the Courts of Appeals for the 5th Circuit.

88 *Ferris v Frohman* (1911) 223 US 424 (from the Supreme Court of Illinois) and *Goldstein v California* (1972) 412 US 546 (from the Appellate department, Superior Court of California, County of Los Angeles).

89 The 71 cases addressed 79 questions.

Table 24.8 Subject matter (SCOTUS)

Remedies & enforcement	14
Economic rights	12
Basis	10
Beneficiaries	10
Protection criteria	9
Penalties / criminal procedure	7
Subject matter	5
Term	4
Infringement	3
Limitations & exceptions	2
Exercise of rights	3

This table refers to these questions addressed by the US Supreme Court, as such. It is, however, possible that some topics have been addressed by the Court in an auxiliary way. For instance, both *Harper & Row v Nation Enterprises* (1985) 471 US 539 and *Campbell v Acuff–Rose Music* (1994) 510 US 569 addressed fair use (17 USC § 107) as such, in the questions for which the Court granted certiorari. Those are the only cases to do so. But in *Sony Corp of America v Universal City Studios* (1984) 464 US 417 and in *Stewart v Abend* (1990) 495 US 207, the Court formulated the questions in terms of the economic rights of the broadcasters or infringement of copyright, although the holding in these cases turned out to be important on the issue of fair use. This explains why the *limitations and exceptions* category only mentions two cases.

The different scope of copyright protection

The legal foundation of copyright protection

The traditional view is that US copyright has a utilitarian function,[90] whereas European-continental copyright mainly stems from a natural law perspective, protecting the author's personality and rewarding his labor, and is grounded in the ideas of philosophers like Locke, Fichte, Kant and Hegel.[91] This dichotomy is clearly apparent in the copyright legislation[92] as well as in the rationale for copyright protection that both the courts in question formulate.

The US Constitution grants to Congress the power 'To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries'.[93] The Supreme Court has repeatedly stressed[94]

90 *See* for criticism of this rationale Makeen F Makeen, *Copyright in a Global Information Society; The Scope of Copyright Protection under International, US, UK and French Law* (Kluwer 2000) 126 fn 226.

91 *See,* e.g. Tanya Aplin, *Copyright Law in the Digital Society: The Challenges of Multimedia* (Hart 2005) 26–35 and Andreas Rahmatian, *Copyright and Creativity: The Making of Property Rights in Creative Works* (Edward Elgar 2011) 70–90.

92 *See* Jane C Ginsburg, 'Tale of Two Copyrights: Literary Property in Revolutionary France and America' (1989–1990) 64 *Tul L Rev* 991.

93 US Const, Art I, §8, cl 8.

94 *Fogerty v Fantasy* (1994) 510 US 517, 526–527.

that the specific purpose of this clause is 'to motivate the creative activity of authors and inventors by the provision of a special reward'.[95] The 'ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good'[96] and hence 'not to reward the labour of authors[. …]To this end, copyright assures authors the right to their original expression, but encourages others to build freely upon the ideas and information conveyed by a work'.[97] '[R]eward to the author or artist serves to induce release to the public of the products of his creative genius' and is thus 'a secondary consideration'.[98]

On the other hand, the InfoSoc Directive is based on Article 114 of the Treaty on European Union (TEU) and 'is intended to harmonise certain aspects of the law on copyright and related rights in the information society and to ensure that competition in the internal market is not distorted as a result of differences in the legislation of Member States'.[99] According to Recital 9 of the InfoSoc Directive, '[a]ny harmonisation of copyright and related rights must take as a basis a high level of protection, since such rights are crucial to intellectual creation. Their protection helps to ensure the maintenance and development of creativity in the interests of authors, performers, producers, consumers, culture, industry and the public at large'. At first impression, this might be considered to be a utilitarian approach because it gives the authors an incentive. The concretization in the case law disproves this illusion: the Court has repeatedly acknowledged this purpose 'to establish a high level of protection for, in particular, authors',[100] 'which is crucial to intellectual creation',[101] 'allowing them to obtain an appropriate reward for the use of their works',[102] 'including on the occasion of communication to the public'[103] as well as 'at the time of reproduction of those works, in order to be able to pursue their creative and artistic work'.[104] Also, 'authors have to receive an appropriate reward for the use of their work and that the system for the protection of copyright must be rigorous and effective'.[105]

95 *Sony Corp of America v Universal City Studios* (1984) 464 US 417, 429.

96 *Twentieth Century Music v Aiken* (1975) 422 US 151, 156. *See also Fox Film v Doyal* (1932) 286 US 123, 127.

97 *Feist Publications v Rural Telephone Service* (1991) 499 US 340, 349–350.

98 *United States v Paramount Pictures* (1948) 334 US 131, 158.

99 Case C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 35, referring to Case C-479/04 *Laserdisken* ECLI:EU:C:2006:549, paras 26 and 31–34.

100 Case C-277/10 *Luksan* ECLI:EU:C:2012:65, para 66; Case C-314/12 *UPC Telekabel Wien* ECLI:EU:C:2014:192, para 31; Case C-138/16 *AKM* ECLI:EU:C:2017:218, para 42. The court made a similar statement regarding Directive 2006/115 in Case C-174–15, *Vereniging Openbare Bibliotheken* ECLI:EU:C:2016:856, para 46; Case C-469/17 *Funke Medien NRW* ECLI:EU:C:2019:623, para 50; Case C-476/17 *Pelham* ECLI:EU:C:2019:624, para 80; Case 516/17 *Spiegel Online* ECLI:EU:C:2019:625, para 21.

101 Case C-462/09 *Stichting de Thuiskopie v Opus* ECLI:EU:C:2011:397, 32; Case C-145/10 *Painer* ECLI:EU:C:2011:798, para 107; Case C-355/12 *Nintendo ea* ECLI:EU:C:2014:25, para 27; Case C-466/12 *Svensson ea* ECLI:EU:C:2014:76, para 17; Case C-174–15, *Vereniging Openbare Bibliotheken* ECLI:EU:C:2016:856 61.

102 Case C-419/13 *Art & Allposters International* ECLI:EU:C:2015:27, para 27.

103 Case C-306/05 *SGAE v Rafael Hoteles* ECLI:EU:C:2006:764, para 36; Case C-393/09 *Bezpečnostní softwarová asociace* ECLI:EU:C:2010:816, para 54; Cases C-403 & 429/08, *Football Association Premier League ea* ECLI:EU:C:2011:631, para 186; Case C-607/11 *ITV Broadcasting I* ECLI:EU:C:2013:147, para 20; Case C-351/12 *OSA* ECLI:EU:C:2014:110, para 23; Case C-325/14 *SBS Belgium v Sabam* ECLI:EU:C:2015:764, para 14; C-160/15, *GS Media* ECLI:EU:C:2016:644, para 30; Case C-275/15 *ITV Broadcasting II* ECLI:EU:C:2017:144, para 22; Case C-527/15 *Stichting Brein v Filmspeler* ECLI:EU:C:2017:300, para 27; Case C-610/15 *Stichting Brein v Ziggo* ECLI:EU:C:2017:456, para 22; Case 161/17 *Renckhoff* ECLI:EU:C:2018:634, para 18.

104 Case C-5/08 *Infopaq I* ECLI:EU:C:2009:465, para 40.

105 Case C-456/06 *Peek & Cloppenburg* ECLI:EU:C:2008:232, para 37; Case C-516/13 *Dimensione Direct Sales* ECLI:EU:C:2015:315, para 34.

It is very clear that both courts have identified what they perceive as the philosophy and rationale in a higher norm (the US Constitution or the TEU) that buttresses the existence of copyright protection. The purpose, however, is clearly different, in that the EU approach focuses more on the creativity of the author than the benefit of the public at large.

The assessment of the ECJ's reasoning

Judge Malenovský's views

As indicated before, Judge Jiří Malenovský, the former judge from the Czech Republic, who served as *rapporteur* in a vast majority of the copyright cases rendered by the ECJ, published a lecture discussing the role of the Court in the harmonization of copyright law in the EU.[106] Given his pre-eminence in the genesis of the case law in question, it is crucial to have a closer look at his extra-judicial writing in the matter.

Judge Malenovský makes three points.

- First, a fair balance between fundamental freedoms and fundamental rights has to be found, as evidenced by the principles set forward in the *Schmidberger* case.[107] Hence, copyright law—and intellectual property law, in general—has to be balanced with fundamental rights. Such an approach is evidenced by the *Promusicae*, *DR & TV2 Danmark* and *Scarlet Extended* cases.[108]
- Second, a balance has to be achieved between the interests of the various stakeholders within the framework of copyright. The interpretation of the terms *work*[109] (see the discussion in Chapter 4), *communication to the public*,[110] *origin of the communication*,[111] *public*[112] (see the discussion in Chapter 9) and *compensation*[113] are instances of this endeavour.

106 'La contribution de la Cour de justice à l'harmonisation du droit d'auteur dans l'Union européenne' (2012) 13 ERA Forum 411.

107 Case C-112/00 *Schmidberger* ECLI:EU:C:2003:333, paras 78–81.

108 Case C-275/06 *Promusicae* ECLI:EU:C:2008:54, para 68; Case C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 57 and Case C-70/10 *Scarlet Extended* ECLI:EU:C:2011:771, para 53.

Of course, since Article 17(2) of the Charter squarely states 'Intellectual property shall be protected', the Court has by now pushed the dialogue between copyright law and fundamental rights to a much farther level, as evidenced by Case C-580/13 *Coty Germany* ECLI:EU:C:2015:485; Case 161/17 *Renckhoff* ECLI:EU:C:2018:634; Case 149/17 *Bastei Lübbe* ECLI:EU:C:2018:841; Case C-469/17 *Funke Medien NRW* ECLI:EU:C:2019:623; Case C-476/17 *Pelham* ECLI:EU:C:2019:624; Case 516/17 *Spiegel Online* ECLI:EU:C:2019:625; Case C-264/19 *Constantin Film Verleih* ECLI:EU:C:2020:542.

See Julien Cabay & Maxime Lambrecht, 'Les droits intellectuels, entre autres droits fondamentaux: la Cour de justice à la recherche d'un "juste équilibre" en droit d'auteur', in Julien Cabay & Alain Strowel (eds), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations* (Larcier 2019) 181.

109 Case C-5/08 *Infopaq I* ECLI:EU:C:2009:465, para 47; Case C-145/10 *Painer* ECLI:EU:C:2011:798; Case C-403 & 429/08, *Football Association Premier League ea* ECLI:EU:C:2011:631 and Case C-393/09 *Bezpečnostní softwarová asociace* ECLI:EU:C:2010:816, paras 49–50.

110 Case C-306/05 *SGAE v Rafael Hoteles* ECLI:EU:C:2006:764 and Case C-403 & 429/08, *Football Association Premier League ea* ECLI:EU:C:2011:631, para 202.

111 Same cases.

112 Case C-306/05 *SGAE v Rafael Hoteles* ECLI:EU:C:2006:764, para 41; Case C-431/09 *Airfield and Canal Digitaal* ECLI:EU:C:2011:648; Case C-135/10 *SCF v Del Corso* ECLI:EU:C:2012:140, paras 96 and 91.

113 Case C-467/08 *Padawan* ECLI:EU:C:2010:620; Case C-462/09 *Stichting de Thuiskopie v Opus* ECLI:EU:C:2011:397, para 34 and Case C-271/10 *VEWA* ECLI:EU:C:2011:442.

– Finally, Judge Malenovský stresses the need for coherence of the EU copyright legislation. He points out that the usual approach is one of 'notional' coherence, which sees the various directives as an integrated whole,[114] but that this approach had to be abandoned on occasions in favor of a functional approach, which perceives the directives as autonomous entities.[115] Also, coherence is required in interpreting EU law in light of supranational instruments such as the Berne Convention or the WCT.[116]

Verena Roder's dissertation

In a recently published PhD dissertation (Bonn 2015), Dr Verena Roder takes a closer look at the methodology of the ECJ in copyright cases.[117]

Two of her findings warrant attention. First, she demonstrates that in principle, economic rights are interpreted broadly, and their limitations are narrow. However, the Court is increasingly compensating for a principle of restrictive interpretation by taking account of underlying interests. This is also necessary, in particular, regarding the freedom of expression/information, protected by fundamental rights.[118] These findings dovetail Malenovský's first and second points. Second, there is a principle of the uniformity of terminology—also across directives—which means that a term can be assumed to have the same meaning for the same concept when used in different directives. This presumption does not apply if a divergent will of the legislator is recognizable.[119] She deems a systematic interpretation by the judiciary, which leads to a harmonization of these legal acts, to be 'possible and meaningful'.[120] This finding is similar to Malenovský's third point.

The US Supreme Court

For completeness' sake, it must be noticed that no scholarly contribution so far takes a close look at the interpretive practices of the US Supreme Court in the specific realm of copyright law.[121]

114 Case C-271/10 *VEWA* ECLI:EU:C:2011:442, para 27 and Case C-277/10 *Luksan* ECLI:EU:C:2012:65, para 85.

115 *See* Case C-135/10 *SCF v Del Corso* ECLI:EU:C:2012:140, paras 74–76, distinguishing the concept of communication to the public in Article 3(1) of the InfoSoc Directive from that in Article 8(2) of the Lending Right Directive.

116 Case C-277/10 *Luksan* ECLI:EU:C:2012:65, paras 62–63.

117 *Die Methodik des EuGH im Urheberrecht* (Mohr Siebeck 2016).

118 Verena Roder, *Die Methodik des EuGH im Urheberrecht* (Mohr Siebeck 2016) 503.

119 Ibid. at 502.

120 Ibid. at 503.

121 Bill Patry does indeed dedicate a whole chapter of his multi-volume treatise to the interpretation of copyright law (the rendering of the electronic version of this mere chapter encompasses 261 pages). However, this chapter amounts to a general discussion of interpretation by the US Supreme Court, with interesting observations about the use of legislative history. He also focusses on this specific use in a number of landmark cases, but does not conduct a general analysis of statutory interpretation in copyright law (William F Patry, *Patry on Copyright*, Ch 2: Statutory Interpretation (March 2017 update)).

The statistical findings

The use of the various topoi over time

Plotted on a normalized time axis,[122] it appears that the US Supreme Court has increased its use of interpretive *topoi* per case,[123] whereas this evolution is only barely present regarding the ECJ (Figure 24.3).[124]
The increasing rate observed in the US Supreme Court illustrates the natural tendency to increase the legitimacy of a court decision.[125]

The picture of the number of interpretive statements per case is different. It clearly appears that both courts increase this number over time (Figure 24.4).[126]

However, a subdivision per method gives a more nuanced picture: it appears that the ECJ uses most *topoi* to the same degree overtime, with only a marked increase of use of precedents and logical-conceptual arguments. The US Supreme Court on the other hand uses all methods very slightly increasingly, but only the same two to a larger degree (Table 24.9).[127]

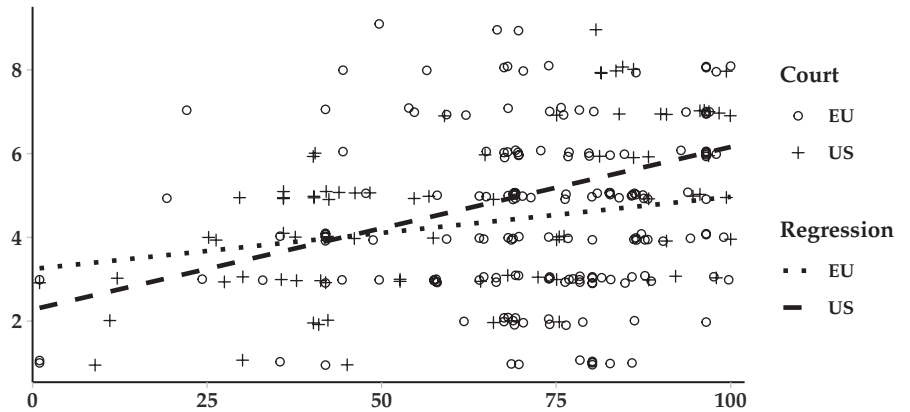

Figure 24.3 Number of different topoi per case.

122 The first case is 1, the most recent one 100.

123 'Case' is used here in the sense of answer to a question, as described above.

124 The slopes of the regressions are 0.017 and 0.039, respectively.

125 This tendency has been described as the 'grand strict pedigree theory: the alignment of all sources to compel results' (Nicholas Zeppos, 'The Use of Authority in Statutory Interpretation; An Empirical Analysis' (1991–1992) 70 Tex L Rev 1073, 1124) or the [everything but the] ''kitchen sink' theory' (*see, e.g.* Frank B Cross, *The Theory and Practice of Statutory Interpretation* 157 (Stanford 2012)).

126 The slopes are 0.117 and 0.142, respectively.

The one outlier of 45 at 83 is Justice O'Connor drowning the fish, in the politically sensitive case of *Harper & Row v Nation Enterprises* (1985) 471 US 539 (regarding the publication of a quote from former President Ford's memoirs regarding his pardon of his predecessor Richard Nixon), hereby making a very practical application of the 'kitchen sink theory'.

At the very end we see two other outliers, this time by the ECJ, which correspond to the first answer in Case C-469/17 *Funke Medien NRW* ECLI:EU:C:2019:623, where the Court makes use of 47 arguments, among which 22 precedents, and Case C-263/18 *Nederlands Uitgeversverbond* ECLI:EU:C:2019:1111, with 48 arguments.

127 For clarity's sake, we indicate the evolutions that give a slope of at least (rounded) 0.01 in boldface. The other ones are negligible.

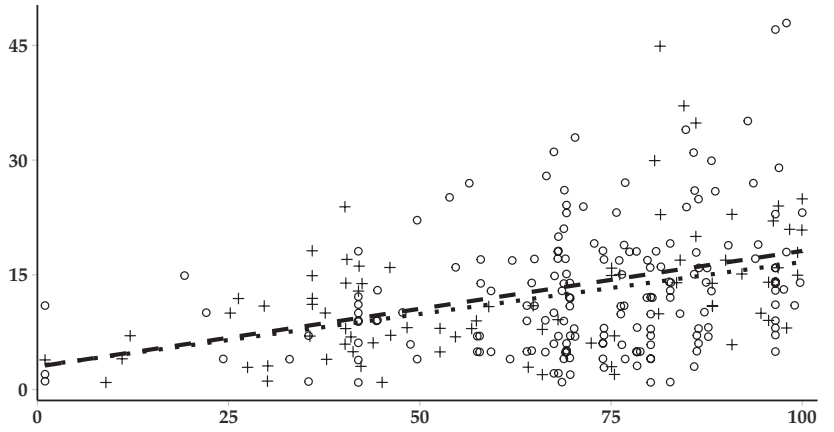

Figure 24.4 Number of arguments per case.

Table 24.9 Evolution in use of topoi over time

	ECJ	*SCOTUS*
Linguistic / textual	0.007	**0.014**
Contextual harmonization	0.002	0.006
Precedent	**0.080**	**0.047**
Statutory analogy	0.002	0.003
Logical–conceptual	**0.037**	**0.041**
Accepted legal principles	0.005	0.006
Historical	−0.001	**0.013**
Teleological	0.008	**0.010**
Substantive	−0.005	0.008
Trans–categorical	−0.001	0.003
Total (pictured in Figure 24.3)	0.017	0.039

Of course, the fact that the ECJ only slightly use more *topoi* per case over time but does use more arguments per case means that the ratio of instances per *topos* over time will rise faster than in the US Supreme Court (Figure 24.5).[128]

Comparison of the use of the topoi

The next step is the comparison of use of the various *topoi* by either court. Starting with the four major axes, it appears that the courts have an equal use of systemic and trans-categorical arguments but a different use of linguistic and teleological-evaluative ones (Figure 24.6).[129]

Of course, this analysis warrants a splitting up per *topos* (Figure 24.7).

The exact figure will follow (Tables 24.10 and 24.11), but a few observations are notable from the outset. First, both courts use precedents and logical-conceptual arguments in a vast majority of the cases. They also use arguments drawn from contextual harmonization,

128 The slopes are 0.023 and 0.013, respectively.

129 ECJ figures are rendered using horizontal stripes, US Supreme Court ones using vertical stripes.

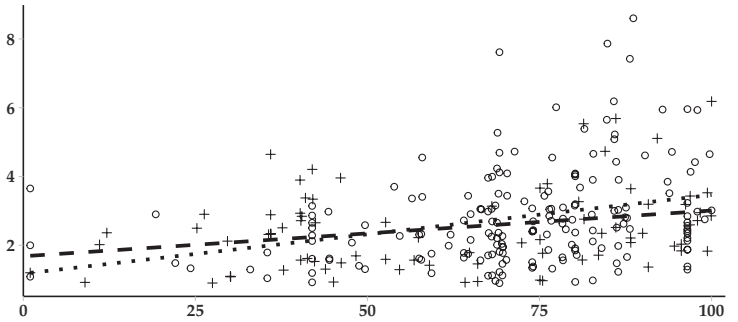

Figure 24.5 Number of arguments per topos in each case.

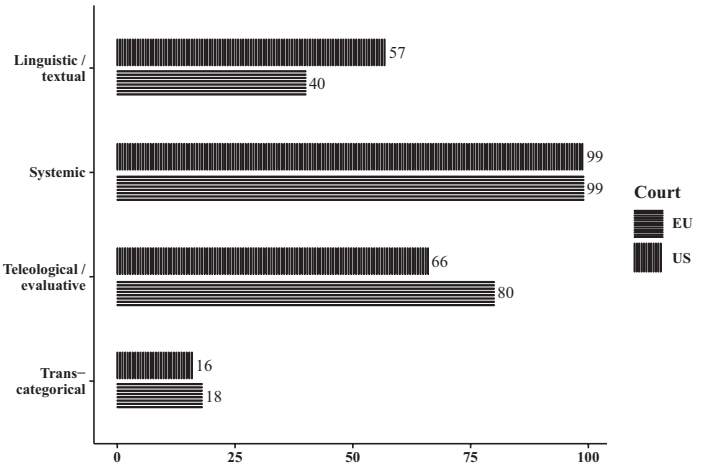

Figure 24.6 Use of arguments (axes) per case.

statutory analogy, accepted legal principles and the trans-categorical variant—applying legislative definitions—to a very similar, albeit more exceptional amount. However, there is a marked difference as to the use of historical arguments (often used in the US but quite sparingly by the ECJ). Furthermore, the ECJ uses teleological arguments markedly more than the US Supreme Court, while the latter uses slightly more substantive arguments. Finally, the US Supreme Court tends to use textual arguments more often than the ECJ.

The statistical analysis was performed using non-parametric tests.[130] The *Wilcoxon rank sum test*[131] shows which groups are identical or not.[132] For visual clarity, the *p*-value of the identical groups is marked in boldface.

130 None of the series are normally distributed (which was proven by the *Shapiro–Wilk W*–test, which rejected the null-hypothesis (H_0) of normality in each case). All these series, which result from counts, prove to be distributed according to the *gamma-Poisson* (negative binomial) distribution. We chose to perform non–parametric tests instead of transforming the data.

131 Also called *Wilcoxon-Mann-Whitney* test; this is the non-parametric equivalent to the classic *t-test*. The results of the *van der Waerden*-test and *Mood's Median test* were almost completely concordant—as were those of the *t-test*, incidentally—and are not reported here.

132 The classic level of confidence (α) of .05 is used and H_0 is that both groups are identical. When the p-value $\leq \alpha$, H_0 should be rejected, leading to the conclusion that there *is* a significant difference between the two groups.

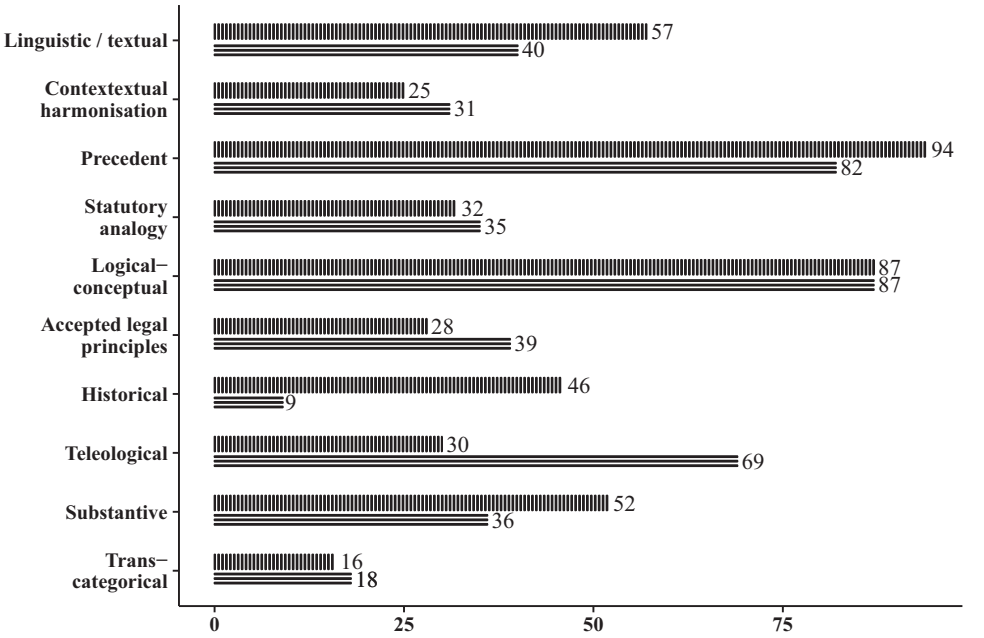

Figure 24.7 Use of arguments (topoi) per case.

The apparent similarity that emerges from the mere percentages of use is confirmed by the statistical analysis: both courts use systemic and trans-categorical arguments similarly, and textual and teleological-evaluative ones differently. When these four axes are split up by individual *topos*, a clearer picture emerges: we see that five *topoi* are used similarly, and five differently.

A closer look at the systemic axis shows that precedents are used in a considerably different way by each court, as are historical arguments. The correlation between two different *topoi* used by the same court is given expressed as *Kendall's Tau* (τ).[133] This measure answers the question whether two *topoi* tend to appear together in a same case. For each pair of

Table 24.10 Use of arguments (axes)

		EU	*US*	*W*	$\lvert z \rvert$	*p*
I	Linguistic / textual	40%	57%	5 735.0	2.42	0.008
II	Systemic	99%	99%	6 810.5	0.47	0.638
III	Teleological / evaluative	80%	66%	10 379.0	5.99	~0
IV	Trans–categorical	18%	16%	7 262.5	0.35	0.602

When the *p*-value > α, H_0 should be retained: there is a 95% confidence that any difference between the two groups is merely due to chance.

The *W*- and (absolute) *z*-values, given for completeness' sake, are not immediately relevant.

133 This is the non-parametric equivalent of *Pearsons's r* correlation coefficient. The same analysis was performed using *Spearman's Rho* (ρ), which yielded identical results and is not reported here.

Table 24.11 Use of arguments (topoi)

		EU	*US*	*W*	| *z* |	*P*
I	Linguistic / textual	40%	57%	5 735.5	2.42	0.008
II	Contextual harmonization	31%	2s5%	7 495.5	0.77	**0.336**
	Precedent	82%	94%	6 315.0	1.37	**0.169**
	Statutory analogy	35%	32%	7 518.5	0.81	**0.334**
	Logical–conceptual	87%	87%	7 190.0	0.22	**0.827**
	Accepted legal principles	39%	28%	8 000.5	1.69	0.048
	Historical	9%	46%	4 393.5	4.85	~0
III	Teleological	69%	30%	10 566.0	6.33	~0
	Substantive	36%	52%	5 784.0	2.33	0.008
IV	Trans–categorical	18%	16%	7 262.5	0.35	**0.602**

categories, the τ-value (indicating the strength of the correlation) and the corresponding *p*-value (indicating whether the finding is significant,[134] in italics) is given (Table 24.12).[135]

The same analysis is repeated using each individual *topos* (Tables 24.13 and 24.14).[136]

Table 24.12 Correlation between axes

US → ↓ EU	**Text**	**Syst**	**Teleo/Eval**	**Trans-cat**
Text		**.291** *.001*	.182 *.068*	.189 *.071*
Syst	.102 *.104*		**.288** *.001*	.170 *.074*
Teleo/Eval	**.354** *~0*	**.253** *~0*		.109 *.311*
Trans-cat	**.258** *~0*	**.134** *.034*	**.247** *~0*	**US ↑ ← EU**

134 H_0 is that there is no association between the variables under study (and again, $\alpha = .05$). When the *p*-value $\leq \alpha$, we reject H_0, concluding that there is an association between the two variables. When *p*-value $> \alpha$ we retain H_0: there can be 95% confidence that no correlation exists between the two variables.

135 The lower/left triangle shows the correlations for the ECJ while the upper/right one shows these for the US Supreme Court. When a statistically significant correlation is present the τ-value is rendered in boldface and the corresponding square is marked in light grey. When the same pair also significantly correlates at the other court, the square is marked in a darker shade of grey.

136 It should be noticed that none of the found correlations are very strong (the strongest one only amounts to 0.41), and that all the relevant correlations are positive, since none of the negative correlations prove statistically significant.

Table 24.13 Correlation between topoi

US → ↓ EU	Text	Con Harm	Prec	Stat An	Log Conc	Acc Princ	Hist	Teleo	Subst	Trans-cat
Text		**.302** *.003*	**.177** *.049*	.016 *.873*	**.213** *.020*	**.273** *.007*	**.421** *~0*	.006 *.956*	**.260** *.007*	.189 *.071*
Con Harm	**.299** *~0*		.050 *.593*	–.057 *.590*	.122 *.205*	.095 *.374*	.087 *.409*	.057 *.595*	.041 *.692*	.158 *.151*
Prec	–.040 *.515*	–.014 *.819*		**.213** *.023*	**.409** *~0*	.176 *.061*	**.268** *.004*	.180 *.055*	**.301** *.001*	.071 *.464*
Stat An	.120 *.073*	–.020 *.776*	**.163** *.007*		.040 *.678*	.071 *.505*	.107 *.303*	.065 *.538*	–.015 *.885*	–.079 *.472*
Log Conc	**.156** *.013*	.071 *.263*	**.308** *~0*	**.200** *.001*		.056 *.562*	**.261** *.006*	**.295** *.002*	.168 *.067*	**.232** *.019*
Acc Princ	**.257** *~0*	.084 *.218*	**.244** *~0*	**.193** *.004*	**.214** *.001*		**.225** *.031*	–.006 *.957*	.163 *.110*	.095 *.386*
Hist	.086 *.227*	**.169** *.019*	–.004 *.949*	.016 *.825*	–.007 *.910*	.063 *.370*		.155 *.137*	**.306** *.002*	**.259** *.016*
Teleo	**.362** *~0*	**.254** *~0*	.083 *.138*	**.136** *.031*	**.280** *~0*	**.168** *.008*	**.248** *~0*		.065 *.520*	.034 *.756*
Subst	.071 *.299*	.020 *.772*	.098 *.109*	–.084 *.215*	.130 *.038*	.104 *.126*	.098 *.171*	.049 *.438*		.163 *.121*
Trans-cat	**.258** *~0*	**.289** *~0*	.039 *.531*	.108 *.120*	.121 *.060*	.027 *.700*	**.236** *.001*	**.237** *~0*	.129 *.066*	US ↑ ←EU

Table 24.14 Number of correlating topoi

	ECJ			*SCOTUS*	
	only	*total*	*shared*	*only*	*total*
Linguistic / textual	2	5	3	3	6
Contextual harmonization	3	4	1	0	1
Precedent	1	3	2	3	5
Statutory analogy	3	4	1	0	1
Logical-conceptual	3	6	3	2	5
Accepted legal principles	4	5	1	1	2
Historical	2	3	1	5	6
Teleological	6	7	1	0	1
Substantive	1	1	0	3	3
Trans-categorical	3	4	1	1	2

The number of correlations thus varies per *topos*:

Discussion

Linguistic-textual arguments

The text as starting point of any interpretation

Textual analysis—'the attempt to discern the meaning of […] provisions through a close reading of the specific language of the document'[137]—is of course the starting point of all legal interpretation, whether constitutional, statutory or contractual.[138]

During the last decades, the US Supreme Court has been the battle ground of different interpretive philosophies, among which *originalism* and the *living constitution* movement have been major proponents. This is not the place for a detailed discussion. Suffice to point out that the present-day common denominator of originalism merely relies on the original public meaning,[139] mainly of constitutional but also of statutory disposition, is a particular flavor of *textualism*.[140] Its two main tenets common to the various flavors[141] of modern originalism are (1) the *fixation theory*, stating that legal dispositions acquire their meaning at the time of their enactment and maintain this meaning regardless of the passing of time,[142] and (2) the *constraint principle*, binding courts to this meaning in interpreting and construing the law.[143]

137 Lackland H Bloom, Jr, *Methods of Interpretation: How the Supreme Court Reads the Constitution* (OUP 2009) 1.

138 As stated earlier, this covers a wider range than the so-called 'literal' interpretation: 'the action of giving meaning to a normative text in light of the ordinary meaning of the words' (Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020) 13).

139 *See* Lawrence B Solum, 'Semantic Originalism' (Illinois Public Law and Legal Theory Research Papers Series No 07-24) <https://dx.doi.org/10.2139/ssrn.1120244> (2008) 18–19 and the criticism by Jack M Balkin, 'The Construction of Original Public Meaning' (2016) *Const Comm* 73–99.

140 The key element is of course the preponderance of text over intent, which leads to the disregard of legislative history Justice Scalia famously and systematically rejected any reference to legislative intent and to legislative history: 'I object to the use of legislative history on principle, since I reject the intent of the legislature as the proper criterion of the law.' (Antonin Scalia, *A Matter of Interpretation: Federal Courts and the Law* (Princeton 1997) 31).

Indeed, as characterized by Bill Eskridge, '[t]he most stringent textualist approaches to statutory interpretation will consider (1) statutory language addressing the legal issue, (2) surrounding statutory context, (3) judicial canons of textual and holistic interpretation, (4) judicial precedents, and (5) legislative history (These 'new textualists' either will not consider (6) legislative history or will examine it only under tightly limited circumstances.)' (William N Eskridge, Jr, *Interpreting Law: A Primer on How to Read Statutes and the Constitution* (Thomson West 2016) 220).

It should be noted that when Gerald Conway discusses the use of 'originalism' by the ECJ, he refers to interpretation in function of the drafters' intention, not in function of the original public meaning of the text: 'Controversy in the general literature is focused on the degree to which judges should so far as possible seek to interpret laws in accordance with the intention of the maw-maker, or conversely, should engage a more forward-looking innovative interpretation to achieve a more fitting or suitable norm.' (Gerard Conway, *The Limits of Legal Reasoning and the European Court of Justice* (Cambridge 2012) 107, citing R Bork and J Raz, respectively).

141 *See* Lawrence B Solum, 'Originalism Versus Living Constitutionalism: The Conceptual Structure of the Great Debate' (2019) 113 Nw U L Rev 1243, 1270, who labels originalism as 'a family of constitutional theories, almost all of which affirm the constraint principle and the fixation thesis and advance a theory of the nature of original meaning'.

142 Lawrence B Solum, 'The Fixation Thesis: The Role of Historical Fact in Original Meaning' (2015) 91 Notre Dame L Rev 1, 15.

143 Lawrence B Solum, 'Originalist Methodology' (2017) 84 *U Chi L Rev* 269, 293–294 and in general, *id*, 'The Constraint Principle: Original Meaning and Constitutional Practice' <https://dx.doi.org/10.2139/ssrn.2940215> (2018).

Indeed, modern originalists differentiate between interpretation and construction. Although this distinction is not common outside of the US—and is even controversial within the American legal theory discourse[144]—it proves to be an accurate description of what courts do (at least subconsciously) when faced with an interpretational question: first, ascertain the meaning of the text, and only next, giving this meaning legal effect within the existing framework, before applying it to the facts of the case at hand.[145] In this analysis, we do not follow this dichotomy, because the courts do not seem to engage in this type of staged reasoning consciously. At least, their opinions do not reflect it: textual arguments do not systematically precede the use of the other techniques but rather tend to be interwoven with them.

On the other hand, the proponents of the 'living constitution' allow interpretation to evolve according to the present situation: 'A "living constitution" is one that evolves, changes over time, and adapts to new circumstances, without being formally amended'.[146] The utterance 'When technological change has rendered its literal terms ambiguous, the Copyright Act must be construed in light of this basic purpose',[147] would not be deemed a valid reasoning by originalist Justices. This is, however, a good example of a purposive reading seeing the statutory text as a 'living' document.

An interesting analogy in the ECJ was stated by Advocate General Szpunar: 'I myself am also an advocate of a dynamic interpretation of the provisions of law, which is capable of adapting the wording thereof to the changing conditions in fact and thus allowing the objective sought by those provisions to be attained'.[148] Of course, this is only possible when the text itself does not resolve the question: 'the prohibition of *contra legem* interpretation and the principle of the separation of powers, a dynamic or teleological interpretation is only possible where "the text of the provision itself *[is] open* to different interpretations, presenting some degree of textual ambiguity and vagueness"'.[149] The parallel with the distinction between interpretation-construction by the originalists in the US is interesting: as mentioned, according to them, *construction* of a provision is only warranted if, and only if the *interpretation* of the text does not suffice.

The ECJ itself stated that, for the purpose of interpreting a provision of EU law, it is necessary to consider not only its wording but also the context in which it occurs and the objectives pursued by the rules of which it is part.[150]

144 *See*, e.g. the dismissal of this distinction by Antonin Scalia & Bryan A Garner, *Reading Law: The Interpretation of Legal Texts* (West 2012) 13–15, making borderline condescending comments about the relying on this distinction by Jack M Balkin, *Living Originalism* (Belknap 2011).

145 *See* Randy E Barnett, 'Interpretation and Construction' (2011) 34 *Harv JL Pub Pol'y* 65, 66; Lawrence B Solum, 'The Interpretation-Construction Distinction' (2010) 27 *Const Comm* 95, 96 and Lawrence B Solum, 'Originalism and Constitutional Construction' (2013) 82 *Fordham L Rev* 453, 457.

146 David A Strauss, *The Living Constitution* (OUP 2010) 1.

147 *Twentieth Century Music Corp v Aiken* (1975) 422 US 151, 156. *See also Fortnightly Corp v United Artists Television, Inc.* (1968) 392 US 390, 395–396: 'We must read the statutory language of 60 years ago in the light of drastic technological change'.

148 Case C-641/15 *Verwertungsgesellschaft Rundfunk v Hotel Edelweiss* ECLI:EU:C:2016:795, Opinion of AG Szpunar, para 35.

149 Case C-264/19 *Constantin Film Verleih* ECLI:EU:C:2020:261, Opinion of AG Saugmandsgaard Øe, para 46, referring to Case C-220/15 *Commission v Germany* ECLI:EU:C:2016:534, Opinion of AG Bobek, paras 33 to 35, 38 and 39.

150 Case C-156/98 *Germany v Commission* ECLI:EU:C:2000:467, para 50; Case C-53/05 *Commission v Portugal* ECLI:EU:C:2006:448, para 20; Case C-127/14 *Surmačs* ECLI:EU:C:2015:522, para 28. The Court applied this rule more specifically and repeatedly regarding the concept of 'communication to the public' (Case

Also, when the legislator gives no definition at all of a concept, the meaning and scope of that term must be determined by considering its usual meaning in everyday language, while also taking into account the context in which it occurs and the purposes of the rules of which it is part.[151] Moreover, the Court stated, when those terms appear in a provision which constitutes a derogation from a principle or, more specifically, from Community rules for the protection of consumers, they must be read so that that provision can be interpreted strictly.[152]

There is, in short, much more unanimity as to the use of interpretive techniques in the ECJ than there is in the US Supreme Court. The fact that the former works with unsigned judgments written in the same uniform style is certainly a factor, since the end result is stripped of the drafter's personality and ego.[153]

Analysis

Table 24.11 showed that both courts use textual analysis to a different measure. This is not surprising, given the distinct approaches: the US Supreme Court will frequently make use of 'textual canons',[154] whereas the ECJ does not seem to have a well-defined philosophy behind the use of textual analysis.

In both courts, the use of textual arguments correlates with the use of contextual harmonization, logical-conceptual arguments and arguments from accepted principles. All these correlations are stronger in the US Supreme Court than in the ECJ. Furthermore, the use of textual arguments correlates with the use of statutory analogy and teleological arguments and trans-categorical arguments in the ECJ. In the US Supreme Court, the use of textualism furthermore correlates with the use of precedent, historical arguments and substantive arguments.

One interesting finding in Table 9 is that the use of textualism in the US Supreme Court does not seem to rise very markedly. This is remarkable, given the explicit push for the predominant, if not sole use of this technique since the mid-1980s by Justice Scalia,[155] joined

C-306/05 *SGAE v Rafael Hoteles* ECLI:EU:C:2006:764, para 34; Case C-283/10 *Circul Globus Bucureşti* ECLI:EU:C:2011:772, para 32; *Football Association Premier League ea* ECLI:EU:C:2011:631, para 185; *GS Media* ECLI:EU:C:2016:644, para 29; Case C-527/15 *Stichting Brein v Filmspeler* ECLI:EU:C:2017:300, para 26; Case C-610/15 *Stichting Brein v Ziggo* ECLI:EU:C:2017:456, para 21; Case 161/17 *Renckhoff* ECLI:EU:C:2018:634, para 17).

151 Case C-201/13 *Deckmyn & Vrijheidsfonds* ECLI:EU:C:2014:2132, para 19; Case C-128/94 *Hönig* ECLI:EU:C:1995:341, para 9; Case C-164/98 *P-DIR International Film* ECLI:EU:C:2000:48, para 26; Case C-336/03, *easyCar* ECLI:EU:C:2005:150, para 21; Case C-549/07 *Wallentin-Hermann* ECLI:EU:C:2008:771, para 17; Case C-119/12 *Probst* ECLI:EU:C:2012:748, para 20; Case C-285/12 *Diakité* ECLI:EU:C:2014:39, para 27.

152 Case C-83/99, *Commission v Spain* ECLI:EU:C:2001:31, para 19; Case C-481/99 *Heininger* ECLI:EU:C:2001:684, para 31; Case C-336/03, *easyCar* ECLI:EU:C:2005:150, para 21; Case C-549/07 *Wallentin-Hermann* ECLI:EU:C:2008:771, para 17.

153 The ECJ has a team of *lecteurs d'arrêts* ('judgment readers') who serve as editors of the draft judgments, checking not only for accuracy of precedent citations, but also for house style orthodoxy. This adds another layer of remoteness from individual writing styles to the drafting process, which already tends to incorporate numerous suggestions from other judges.

154 *See*, in general, and extensively, Antonin Scalia & Bryan A Garner, *Reading Law: The Interpretation of Legal Texts* (West 2012) 69–166, who identify 11 semantic and 7 syntactic canons.

155 Justice Scalia did not write any plurality opinion in copyright cases, just one concurrence (*Feltner v Columbia Pictures Television* (1998) 523 US 340, 355) and one dissent (*American Broadcasting Cos, Inc. v Aereo, Inc.* (2014) 573 US 431). As mentioned before, only the dispositive, majority opinions are taken into account in this study.

by Justice Thomas.[156] Also, the three opinions authored by Justice Thomas[157] do not show a preponderant use of textual arguments.[158] Earlier cases regularly referred to 'the purpose of the Congress in its copyright legislation'[159] or aimed '[t]o interpret accurately Congress' intended purpose'.[160, 161]

A major difference between the two courts is that the ECJ is faced with several, equivalent languages.[162] The court thus needed to establish a framework for dealing with inter-language interpretation: the wording used in one language version of an EU law provision cannot serve as the sole basis for the interpretation of that provision or be made to override the other language versions in that regard. Such an approach would be incompatible with the requirement of the uniform application of EU law.[163] In the event of divergence between the language versions, the provision in question must be interpreted by reference to the purpose and general scheme of the rules of which it forms a part.[164] The need for a uniform interpretation of EU law means that a particular provision should not be considered in isolation but

156 Justices Gorsuch, Kavanaugh and Coney Barrett self-identify as originalists. Yet, their tenure on the Court is still too short to show an influence in this matter.

157 *Feltner v Columbia Pictures Television* (1998) 523 US 340; *Reed Elsevier, Inc. v Muchnick* (2010) 559 US 154 (2010) and *Star Athletica v Varsity Brands* (2017) 580 US ___.

158 Only one of the US Supreme Court's opinions, *Star Athletica v Varsity Brands* (2017) 580 US ___, authored by Justice Thomas refers to the statutory text being the alpha and omega of interpretation: 'We thus begin and end our inquiry with the text, giving each word its "ordinary, contemporary, common meaning"' (slip op at 6), citing *Walters v Metropolitan Ed Enterprises, Inc.* (1997) 519 US 202, 207 (Scalia, J: 'In the absence of an indication to the contrary, words in a statute are assumed to bear their "ordinary, contemporary, common meaning"'). Interestingly, this last case borrows the cited language from *Pioneer Investment Services Co v Brunswick Associates Ltd Partnership* (1993) 507 US 380, 388 (White, J,: 'Courts properly assume, absent sufficient indication to the contrary, that Congress intends the words in its enactments to carry 'their ordinary, contemporary, common meaning''), itself citing *Perrin v United States* (1979) 444 US 37, 42 (Burger, CJ,: 'A fundamental canon of statutory construction is that, unless otherwise defined, words will be interpreted as taking their ordinary, contemporary, common meaning.'), citing (1975) *Burns v Alcala* 420 US 575, 580 (Powell, J, referring to 'the axiom that words used in a statute are to be given their ordinary meaning in the absence of persuasive reasons to the contrary'), citing both *Banks v Chicago Grain Trimmers Assn, Inc.* (1968) 390 US 459, 465 (Stewart, J,: 'In the absence of persuasive reasons to the contrary, we attribute to the words of a statute their ordinary meaning[]') and *Minor v Mechanics Bank of Alexandria* (1828) 26 US 46, 64 (Story, J,: 'The ordinary meaning of the language must be presumed to be intended unless it would manifestly defeat the object of the provisions.')

Reading the actual language of this chain of precedents, the shift is striking: whereas most of the cited opinions refer to the meaning of the text, both *Minor v Mechanics Bank* and *Pioneer Investment Services v Brunswick Associates* — at the onset and in the middle of the chain — refer either explicitly or implicitly to the legislator's intention to attribute words their ordinary meaning This is not quite the same than expressing the principle that courts should interpret terms this way.

159 *Mazer v Stein* (1954) 347 US 201, 208.

160 *Goldstein v California* (1973) 412 US 546, 56.

161 The last case mentioning the 'intentions of Congress' is *Dowling v United States* (1985) 473 US 207, 227. Afterwards, *Feist Publications, Inc. v Rural Telephone Service Co.* (1991) 499 US 340, 360 noticed that 'Congress emphasized repeatedly that the purpose of the revisions was to clarify, not change, existing law'. The Court did not interpret Congress' intentions here, but merely took notice of these.

162 *See* Lawrence Solan, 'The Interpretation of Multilingual Statutes by the European Court of Justice' (2009) 34 *Brook J Int L* 277–301. Although early Dutch and German translations of the US Constitution exist and might be useful to determine the original meaning of some terms, these translations are neither official nor authentic (*see* Christina Mulligan, Michael Douma, Hans Lind, & Brian Patrick Quinn, 'Founding-Era Translations of the US Constitution' (2016) 31 *Const Comm* 1).

163 Case C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 44.

164 Case C-140/12 *Pensionsversicherungsanstalt v Brey* ECLI:EU:C:2013:565, para 74.

in case of doubt should be interpreted and applied in the light of the other languages.[165] The different language versions of a text must be given a uniform interpretation and hence, in the case of divergence between the language versions, the provision in question must be interpreted by reference to the purpose and general scheme of the rules of which it forms a part.[166]

Often, the Court will resort to the technique of declaring a legal concept a 'autonomous concept of EU law': 'it follows from the need for uniform application of EU law and from the principle of equality that the terms of a provision of EU law which makes no express reference to the law of the Member States for the purpose of determining its meaning and scope must normally be given an autonomous and uniform interpretation throughout the European Union, having regard to the context of the provision and the objective pursued by the legislation in question'.[167]

In the context of copyright, the Court declared the following terms to be autonomous concepts of EU law: *equitable remuneration*,[168] *sale*,[169] *remuneration*,[170] *fair compensation*,[171] *reproduction*[172] *in part*,[173] *work*,[174] the expression '*by means of its own facilities*',[175] *parody*,[176] and *access to cable of broadcasting services*.[177]

When dealing with the various wording in the different languages, the ECJ also stated 'that a purely literal interpretation of the recital at issue does not, in itself, provide an answer to the question referred since it inevitably results in an outcome which proves to be *contra legem* on the basis of the wording of one or the other of the abovementioned linguistic variants'.[178]

This illustrates that the text of a provision to be interpreted is used by both courts as the starting point, but by no means as the endpoint of interpretation.[179] Hence the need for other techniques.

165 Case 26/69, *Stauder* ECLI:EU:C:1969:57, para 3 and Case C-19/67 *Sociale Verzekeringsbank v Van der Vecht* ECLI:EU:C:1967:49.

166 Case C-30/77 *R v Bouchereau* ECLI:EU:C:1977:172, para 14; Case C-372/88 *Milk Marketing Board* ECLI:EU:C:1990:140, para 19; Case C-482/98 *Italy v Commission* ECLI:EU:C:2000:672, para 49; Case C-1/02 *Borgmann* ECLI:EU:C:2004:202, para 25 and Case, C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 45.

167 Principle originating in Case C-327/82 *Ekro* ECLI:EU:C:1984:11. The quoted formulation is the currently used one, *see eg* Case C-201/13 *Deckmyn & Vrijheidsfonds* ECLI:EU:C:2014:2132, para 14.

See Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020) 23–27.

168 Article 8(2) of Directive 92/100 (Case C-245/00 *SENA* ECLI:EU:C:2003:68, para 24).

169 In the sense of Article 4(2) of Directive 2009/04 (Case C-128/11 *UsedSoft* ECLI:EU:C:2012:407, para 40).

170 Article 5(1) of Directive 92/100 (Case C-271/10 *VEWA* ECLI:EU:C:2011:442, para 26).

171 Article 5(2)(b) of Directive 2001/29 (Case C-467/08 *Padawan* ECLI:EU:C:2010:620, para 37; Case C527/13 *Hewlett-Packard* ECLI:EU:C:2015:750, para 35; Case C-470/14 *EGEDA* ECLI:EU:C:2016:418, para 38).

172 Article 2 of Directive 2001/29 (Case C-5/08 *Infopaq I* ECLI:EU:C:2009:465, paras 27 to 29).

173 Article 2 of Directive 2001/29 (Cases C-403 & 429/08, *Football Association Premier League ea* ECLI:EU:C:2011:631, para 154).

174 Articles 2, 3(1) and 4(1) of Directive 2001/29 (Case C-5/08 *Infopaq I* ECLI:EU:C:2009:465, para 33 (implicitly); Case 310/17, *Levola Hengelo* ECLI:EU:C:2018:899, paras 33 and 35 to 37; Case 683/17 *Cofemel* ECLI:EU:C:2019:721, para 29).

175 Article 5(2)(d) of Directive 2001/29 (Case C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 34).

176 Article 5(3)(k) of Directive 2001/29 (Case C-201/13 *Deckmyn & Vrijheidsfonds* ECLI:EU:C:2014:2132, paras 14 to 17).

177 Article 9 of Directive 2001/29 (Case C-275/15 *ITV Broadcasting II* ECLI:EU:C:2017:144, para 18).

178 Case C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 43.

179 Even if the originalist distinction between interpretation and construction would be applied, the 'construction' phase — determining legal effect — would still require resorting to at least some of the other modalities traditionally labelled as means of 'interpretation'.

The systemic axis

Contextual harmonization, statutory analogy, and the use of arguments derived from accepted legal principles

Contextual harmonization and statutory analogy are two sides of the same coin: whereas contextual harmonization seeks to give a compatible reading to terms in a same legal instrument,[180] the application of statutory analogies will aim to achieve the same result between the same term occurring in different texts.[181] Both instances fall under the category of systematic (or internal contextual) interpretation as defined by Lenaerts & Gutiérrez-Fons.[182] The category of arguments derived from accepted legal principles refer to the use of concepts from outside copyright law,[183] and thus forms the outermost of these three concentric circles.

Table 24.11 has shown that both these *topoi* are used in an equal amount in both courts (31% vs 25%, and 35% vs 32%), as well as similarly.

180 *See, e.g. Quality King Distributors, Inc. v L'anza Research Int'l, Inc.* (1998) 523 US 135, 150 coordinating 17 USC §§ 106(3), 107, 109(a) and 602(a), and *Star Athletica v Varsity Brands* (2017) 580 US ___, slip op at 8 (2017), coordinating 17 USC §§ 101, 106(1) and 113(a).

181 A prime example would of course be the ECJ harmonizing the concept of 'work' in Article 2(a) of the InfoSoc Directive, and simultaneously the concept of originality, referring to Articles 1(3) of Directive 91/250, 3(1) of Directive 96/9 and 6 of Directive 2006/116 (C-5/08 *Infopaq I* ECLI:EU:C:2009:465, paras 35–37). *See also* Case C-753/18 *Stim & SAMI* ECLI:EU:C:2020:268, interpreting the notion of *communication to the public* in Article 3(1) of Directive 2001/29 and Article 8(2) of Directive 2006/115.

182 Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020) 27–40. The authors point (34–35) to Case C-117/15 *Reha Training* ECLI:EU:C:2016:379, deciding whether the concept of *communication to the public* in Directive the InfoSoc Directive (Recital 23 and Article 3(1)) and in the Lending Rights Directive (Recital 3 and Article 8(2)) have the same meaning.

183 These can be legal instruments of a higher order (the EU Treaties, the Charter of Fundamental Rights of the EU, the European Convention for the Protection of Human Rights and Fundamental Freedoms), general interpretive principles ('The Starting Point for […] Interpretation of a Statute is Always its Language.' *Community for Creative Non–Violence v Reid* (1989) 490 US 730, 739; 'a court should give effect, if possible, to every clause and word of a statute' (*Feist Publications, Inc. v Rural Telephone Service Co.* (1991) 499 US 340, 358); that the Court must 'first ascertain whether a construction of the statute is fairly possible by which the [constitutional] question may be avoided' (*Feltner v Columbia Pictures Television, Inc* (1998) 523 US 340, 345); '[c]ongressional inaction lacks persuasive significance' (*Star Athletica v Varsity Brands* (2017) 580 US ___, slip op at 17) but also general substantive principles such as 'the primacy, unity and effectiveness of EU law' (Case C-469/17 *Funke Medien NRW* ECLI:EU:C:2019:623, para 32; Case C-476/17 *Pelham* ECLI:EU:C:2019:624, para 80; Case 516/17 *Spiegel Online* ECLI:EU:C:2019:625, para 21), 'the principle of the autonomy of EU law' (Case C-245/00 *SENA* ECLI:EU:C:2003:68, para 24), 'the principle that acquired rights must be respected or the principle of legitimate expectations, both of which are among the fundamental principles of European Union law' (Case C-168/09 *Flos* ECLI:EU:C:2011:29, para 50; see also Case C-60/98 *Butterfly Music* ECLI:EU:C:1999:333, para 22), 'the need for uniform application of Community law' (Case C-245/00 *SENA* ECLI:EU:C:2003:68, para 23; Case C-271/10 *VEWA* ECLI:EU:C:2011:442, para 25, Case C-306/05 *SGAE v Rafael Hoteles* ECLI:EU:C:2006:764, para 31), 'the need for uniform application of EU law and […] the principle of equality' (Case C-5/08 *Infopaq I* ECLI:EU:C:2009:465, para 27; Case C-467/08 *Padawan* ECLI:EU:C:2010:620, para 32; Case C-128/11 *UsedSoft* ECLI:EU:C:2012:407, para 39; Case C-510/10 *DR and TV2 Danmark* ECLI:EU:C:2012:244, para 33; Case C-201/13 *Deckmyn & Vrijheidsfonds* ECLI:EU:C:2014:2132, para 14; Case 310/17, *Levola Hengelo* ECLI:EU:C:2018:899, para 33; Case C-516/17 *Spiegel Online* ECLI:EU:C:2019:625, para 62), 'the fundamental right to property, which includes intellectual property rights such as copyright' (Case C-275/06 *Promusicae* ECLI:EU:C:2008:54, para 53), 'there can be no common law of the United States' (*Wheaton v Peters* (1834) 33 US (8 Pet.) 591, 658); the principle that penal statutes must be construed strictly (*Backus v Gould* (1849) 48 US 798, 811; *Bolles v Outing* (1899) 175 US 262, 265; *Dowling v US* (1985) 473 US 207, 229); 'it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause's objectives' (*Eldred v Ashcroft*, 537 US 186, 212–213 (2003); *Stewart v Abend* (1990) 495 US 207, 230; *Sony Corp of America v Universal City Studios, Inc.* (1984) 464 US 417, 429).

The use of statutory analogy by the US Supreme Court does not correlate with the use of any other technique by this Court but for precedents. This can be explained by the fact that copyright law is one closed statutory entity (USC Title 17), so that cross-reference to other copyright-related instruments will not occur (as opposed to the cross-reference between directives by the ECJ). Analogies will mostly occur with patent law (USC Title 35), and on fewer occasions with trade mark law (the Lanham Act, 15 USC ch 22). On the other hand, the use of statutory analogies by the ECJ correlates with the use of precedents, logical-conceptual arguments, arguments from accepted legal principles and teleological arguments—albeit rather slightly in each case.

The use of contextual harmonization correlates with the use of textual arguments in both courts. It only does not correlate with the use of any other *topos* by the US Supreme Court, while it does correlate with the use of historical, teleological and trans-categorical arguments by the ECJ.

In the US Supreme Court, arguments derived from accepted principles only correlates with the use of historical arguments, besides textual ones. The latter is also the case in the ECJ, where additional correlation with the use of precedents, statutory analogy and logical-conceptual arguments can be found.

Precedent

The use of judicial precedents as interpretation technique once more seeks to achieve consistency between legal terms, but does this over time: once interpreted, a term should be given the same reading subsequently.

Of course, the difference in background between the two courts is significant: the *common law* uses a system of binding precedents, whereas continental law, in which EU law is grounded, does not. It does not mean, however, that 'precedents' do not play an important part in the judicial framework of the EU: cases build upon one another, and the Court tends to only reverse precedents in very specific situations.[184]

Table 24.11 showed an unequal use of precedents in both courts (in 82% vs 94% of the cases). This should not be surprising: the common law-tradition relies heavily on the use of precedent,[185] whereas this is not the case in the European-continental tradition in which the ECJ operates. Interestingly, the *p*-statistic of the *Wilcoxon* test we performed, shows a 'similar' use of this method by both Courts. This was not the case in an earlier version of this research, where cases up and until 2017 were taken into account, and where the *p*-value was (borderline) small enough to accept a significant difference. It is therefore no coincidence that the use of precedents is the most increasing *topos* used by the ECJ (Table 24.9).

As Marc Jacob has shown, 'interpreting the law' (or specific provisions), in the strict sense, is only one of nine possible uses of precedent by the ECJ.[186] He criticizes the court for its use

184 *See* Tamás Szabados, ''Precedents' in EU Law — The Problem of Overruling', [2015:1] *ELTE Law J* 125, 137–145.

185 *See, e.g.* Randy V Kozel, *Settled Versus Right: A Theory of Precedent* (Cambridge 2017) 23: 'Given the absoluteness of vertical precedent, issues of precedential scope are often dispositive in the lower courts. In the federal districts and appellate courts, to find that a Supreme Court precedent applies is to find that it controls.'. *Cfr*, regarding horizontal precedent, Bryan A Garner (ed), *The Law of Judicial Precedent* (Thomson Reuters 2016) 35–43.

186 Marc Jacob, *Precedents and Case-based Reasoning in the European Court of Justice; Unfinished Business* (Cambridge 2014) 113–125 (the other ones being classifying a legal issue or fact, identifying relevant legal provisions, stating the law, interpreting prior cases, justifying an interpretation, asserting facts and affirming conclusions).

of precedent 'as a palliative in the absence of deeper engagement and discursiveness'[187] and for being 'somewhere between silence and denial' regarding their normativity.[188] This assessment seems to find confirmation in the statistical analysis conducted here: in the ECJ, the use of precedents only correlates with the use of statutory analogy, accepted legal principles and logical-conceptual arguments. In the US Supreme Court, their use correlates with the use of statutory analogous, logical-conceptual, historical, and substantive arguments.

The opposite analysis is equally interesting: how do the use of the *topoi* influence the precedential value of the case? The number of sources (different case citing) as well as references (instances of citations)[189] do not correlate with any of the *topoi* in the US Supreme Court. They do, however, both correlate with the uses of logical-conceptual, teleological and substantive arguments in the ECJ It would seem that the use of these three *topoi* by the ECJ slightly increase the influence of the case—or otherwise: that the Court tends to refer to cases using these *topoi*.

Logical-conceptual arguments

Logical-conceptual arguments are the 'default' category: whenever a court makes an inferential reasoning that does not fit into any of the other categories, it will be categorized as such. These are the arguments that derive from factual observations or peremptory statements ('hence', 'thus', 'as a consequence', 'it follows',…) and serve to make the interpreted rule 'work' within its framework.

It is therefore not surprising to see these arguments appear in a vast majority of cases (87%) in both courts, with the statistical analysis showing a high degree of similarity (0.86) in use (Table 24.11). Nor is it surprising that the use of this *topos* has been found to correlate the most with the use of other ones in both courts (three common instances: text, precedent, and teleological; furthermore, there is a correlation with the use of statutory analogy, accepted legal principles, and teleological arguments in the ECJ and with historical and trans-categorical arguments in the US Supreme Court). This frequent occurrence of correlations shows that this may be a default category, it is however no rubbish bin: if such were to be the case (i.e. if this type of argument were to be used to plug the holes where the use of other arguments does not provide a satisfactory result), one would see correlations in most or all categories, and to an equal level. The contrary indicates a deliberate, not merely indiscriminate use of this *topos*.[190]

Historical arguments

Historical arguments are used vastly differently in both courts (9% vs 46%). This is not surprising since legislative history is used entirely differently, which of course is understandable given the considerable differences in the respective legislative processes: for the directives in question, there are no extensive *travaux préparatoires* besides introductory documents by the EU Commission.[191] This should be put in contrast with the ample discussion in Congress

187 *Id* 277.

188 *Id* 245.

189 For instance, Case C-5/08 *Infopaq I* ECLI:EU:C:2009:465 is cited 38 times by 21 (copyright) cases.

190 The correlation with the use of precedent by the US Supreme Court is the strongest of all found correlations (.41), while the same correlation in the ECJ is not as marked (.31).

191 There are, of course, *travaux préparatoires* to the (modern-day) treaties (in contrast to those to the founding treaties), but also in this case the Court proves reluctant to make use of these (see Gerard Conway, *The Limits of Legal Reasoning and the European Court of Justice* (Cambridge 2012) 255–258).

of the various Copyright Acts and especially the extensive hearings that were held over the course of several years leading to the 1976 Copyright Act, and which of course yielded a trove of material for the Supreme Court to quote from.

Interestingly, the use of historical arguments correlates with the use of trans-categorical arguments in both courts. This is altogether not entirely surprising, since the reliance on a definition provided by the legislator is consistent with quoting from the legislative record. Besides this, the use of historical arguments has been found to correlate with the use of contextual harmonization and teleological arguments in the ECJ, and with the use of textualism, precedents, logical-contextual arguments, arguments from accepted legal principles, and substantive arguments in the US Supreme Court.

The teleological-evaluative axis

Concepts

The teleological-evaluative axis encompasses two different *topoi*, which are related but not equivalent. The difference between the teleological and the substantive moral, political, economic or other social arguments is that both refer to the aim of a rule formulated by the legislator. In the first case the legislator will have given a general reason for its action, while in the latter case the aim of the rule is formulated in terms of specific substantive moral, political, economic or other social reasons. The line between these two *topoi* can be tenuous.

In EU law, the recitals preceding a directive play a crucial role: they contain partial explanations which have been deliberately outsourced from the norm text.[192]

Lenaerts and Gutiérrez-Fons identify teleological interpretation as the prime method of interpretation used by the ECJ, as the treaties especially warrant such an approach.[193] They are not wrong: as shown by Table 24.11, teleological interpretation is the most used *topos* (barring the use of precedents, and conceptual-logical arguments), featuring in 69% of the cases. Referring to Bengoetxea,[194] they distinguish between three types of teleological interpretation:[195]

- interpretation aiming to effectuate the *effet utile*[196] of a disposition[197]
- interpretation of unclear concepts to be coherent with their aims ('teleological interpretation *stricto sensu*')[198]

See extensively Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020) 40–53, who qualify the role of the *travaux préparatoires* in the interpretation by the ECJ as 'marginal', but gaining in importance over time.

192 Verena Roder, *Die Methodik des EuGH im Urheberrecht* 502 (Mohr Siebeck 2016). The Court also ruled that 'the preamble to a Community measure may explain the latter's content' (see, Case C-344/04 *IATA* and *ELFAA* ECLI:EU:C:2006:10, para 76; Case C-549/07 *Wallentin-Hermann* ECLI:EU:C:2008:771, para 18.

193 Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020) 54.

194 Joxerramon Bengoetxea, *The Legal Reasoning of the European Court of Justice* (Clarendon 1993).

195 Lenaerts & Gutiérrez-Fons, 55.

196 *See* for an analysis of both the meaning of this concept and its use by the Court, Urška Šadl, 'The Role of *Effet Utile* in Preserving the Continuity and Authority of European Union Law: Evidence from the Citation Web of the Pre-accession Case Law of the Court of Justice of The EU' (2015) 8(1) *Eur J Leg St* 18.

197 Lenaerts & Gutiérrez-Fons, 55. The authors point out that this method is akin to systematic interpretation, as the *effet utile* can only be identified after having ascertained the position of the disposition to be interpreted in its legal context.

198 Lenaerts & Gutiérrez-Fons, 57.

– interpretation in order to prevent the disposition of losing any *effet utile* ('consequentialist interpretation').[199]

Findings

Neither teleological arguments nor substantive moral, political, economic or other social reasons methods are used in a similar way in both courts. Teleological arguments have been found to correlate with the use of logical-conceptual arguments in both courts; however, as stated earlier, this is not very revealing given the general nature of the latter *topos*.

In the US Supreme Court, the use of teleological arguments does not correlate with any other type, and in the ECJ it has been found to correlate with six different categories. This shows a very distinct use in both courts.

The use of substantive reasons does not correlate with any other *topos* in the ECJ but logical-conceptual ones, and does correlate with the use of textual arguments, precedents and historical arguments in the US Supreme Court.

Interestingly, the uses of these *topoi* do not correlate with each other in either court, which again points toward a discriminate use.

Trans-categorical arguments

A well-known legislative technique is for the legislator to provide an explicit definition of certain terms. When the court is to apply such a definition, it will perform a textual analysis, while at the same time giving credit to the legislator's intentions. Hence, the corresponding *topos* is coined as trans-categorical.

Table 24.11 has shown that this *topos* is used by both court to the same extent (in 18% vs 16% of the cases) as well as in a rather similar way. Again, this is not surprising in itself: whenever a statute defines a term of art, the courts are bound to acknowledge this. What is slightly surprising, is that both legislators seem to define terms to a similar extent, thus prompting this equal reaction.

Conclusion

This study takes an empirical look at the corpus of copyright case law of both the European Court of Justice and the US Supreme Court.[200] The systematic content analysis applied to the

199 Lenaerts & Gutiérrez-Fons, 57–58, referring to the seminal Case 6/64 *Costa v ENEL* ECLI:EU:C:1964:66, stating 'The executive force of Community law cannot vary from one State to another in deference to subsequent domestic laws, without jeopardizing the attainment of the objectives of the Treaty […] and giving rise to the discrimination prohibited by Article [18 TFEU].'.

200 Whereas the US Supreme Court has always been closely scrutinized by legal theorists and political scientists, it is only recently that a consistent corpus of studies regarding the interpretive practice of the ECJ / CJEU has arisen (*see* Gunnar Beck, *The Legal Reasoning of the Court of Justice of the EU* (Hart 2012); Gerard Conway, *The Limits of Legal Reasoning and the European Court of Justice* (Cambridge 2012); Suvi Sankari, *European Court of Justice Legal Reasoning in Context* (Europa Law Publishing 2013); Sabine Saurugger & Fabien Terpan, *The Court of Justice of the European Union and the Politics of Law* (Palgrave 2018); Thomas Horsley, *The Court of Justice of the European Union as an Institutional Actor* (Cambridge 2018); Laure Clémenet-Wilz (ed), *Le rôle politique de la Cour de justice de l'Union européenne* (Bruylant 2019). And, noteworthily, the president of the Court and one of his legal assistants recently added an entry to the debate,

spectrum of interpretive techniques makes possible to identify an 'interpretative fingerprint' per court. It is this 'fingerprint' that we analyzed here. Moreover, we hope to have both convinced the reader of this technique's usefulness in mapping a court's—or even an individual judge's—interpretive philosophy, and encouraged further similar research in other subject matter, whether or not in a comparative setting.

The time span in which bodies of copyright cases were created is entirely different: almost two centuries in the US and not even 25 years in the EU. One distinctive feature of the EU corpus is the pre-eminence of Judge Jiří Malenovský as judge-*rapporteur* in these cases: close to two thirds of the copyright cases—including nearly all the landmark cases—were drafted in his chambers. This makes for a unique situation where one judge was able to shape this body of law in a significant way. This preponderance has now shifted to the chambers of Judge Marko Ilešič.

As stated by Judge Malenovský in his published speech,[201] the ECJ generally pursues a conscious policy of harmonization across directives, while taking the various stakeholders' position into account. These statements are confirmed by Verena Roder's findings in her PhD dissertation.[202]

An analysis of the interpretation techniques used by both courts reveals both similarities and differences: six of the *topoi* used here seem to be used similarly, and four differently: linguistic-textual arguments, historical arguments, teleological arguments and substantive moral, political, economic or other social reasons have been found to be used differently in both courts. On the other hand, both courts make a similar use of contextual harmonization, precedent, statutory analogy, accepted legal principles and trans-categorical arguments (i.e. referring to definitions provided by the legislator). These findings are not only apparent from the proportionate use by either court, but also from the statistical analysis of the use of each of these *topoi* compared to the use in the other court, as well as from the correlation (whether or not) with the other *topoi* by the same court.

It is especially noticeable that teleological as well as substantive moral, political, economic or other social arguments are used entirely differently: these reach the core of the legislator's intentions. The difference in use in textual arguments and precedents is far more technical than substantive, as is the difference regarding the use of historical arguments.

It can be concluded that not only is the philosophy underlying copyright law on both sides of the Atlantic different, the courts entrusted with the final verdict on its interpretation will approach the substance differently. The methods used by both courts fit the underlying differences.

---

mentioned before: Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Bruylant 2020).

It is beyond the scope of the present chapter to analyze these works closely and compare their findings with the present ones.

201 Jiří Malenovský, 'La contribution de la Cour de justice à l'harmonisation du droit d'auteur dans l'Union européenne' (2012) 13 *ERA Forum* 411.

202 Verena Roder, *Die Methodik des EuGH im Urheberrecht* (Mohr Siebeck 2016).

References

Tanya Aplin, *Copyright Law in the Digital Society: The Challenges of Multimedia* (Oxford, Hart 2005).

Carlos Arrebola, Ana Júlia Maurício and Héctor Jiménez Portilla, 'An Econometric Analysis of the Influence of the Advocate General on the Court of Justice of the European Union' (2016) 5 *Cambridge J Int Comp* L 82.

Clark D Asay, Arielle Sloan and Dean Sobczak, 'Is Transformative Use Eating the World?' (2020) 61 *BC L Rev* 905.

Jack M Balkin, *Living Originalism* (Boston, MA, Belknap 2011).

Jack M Balkin, 'The Construction of Original Public Meaning' 2016 *Const Comm* 73.

Randy E Barnett, 'Interpretation and Construction' (2011) 34 *Harv JL Pub Pol'y* 65.

Gunnar Beck, *The Legal Reasoning of the Court of Justice of the EU* (Oxford, Hart 2012).

Barton Beebe, 'An Empirical Study of US Copyright Fair Use Opinions' (2008) 156 *U Pa L Rev* 549.

Joxerramon Bengoetxea, *The Legal Reasoning of the European Court of Justice* (Oxford, Clarendon 1993).

Lackland H Bloom, Jr, *Methods of Interpretation: How the Supreme Court Reads the Constitution* (OUP 2009).

Philip Bobbitt, *Constitutional Fate* (OUP 1982).

Philip Bobbitt, *Constitutional Interpretation* (Oxford, Blackwell 1991).

Michal Bobek, 'A Fourth in the Court: Why Are There Advocates General in the Court of Justice' (2011–2012) 14 *Cambridge YB Eur Legal Stud* 529.

Stephen Breyer, 'The Uneasy Case for Copyright: A Study of Copyright in Books, Photocopies, and Computer Programs' (1970) 84 *Harv L Rev* 281.

Stephen G Breyer, 'The Uneasy Case for Copyright: A Look Back Across Four Decades' (2011) 79 *Geo Wash L Rev* 1635.

Julien Cabay 'La Cour de justice, le droit d'auteur, et le marché numérique: voyage intertextuel au pays des hyperliens', in Nicolas Berthold (ed) *Droit de la propriété intellectuelle* (Brussels, Larcier 2019) 51.

Julien Cabay & Maxime Lambrecht, 'Les droits intellectuels, entre autres droits fondamentaux: la Cour de justice à la recherche d'un « juste équilibre » en droit d'auteur', in Julien Cabay & Alain Strowel (eds), *Les droits intellectuels, entre autres droits : intersections, interactions et interrogations* (Brussels, Larcier 2019).

Erwin Chemerinsky, *Federal Jurisdiction* (5th ed., Philadelphia, PA, Wolters Kluwer 2007).

Laure Clémenet-Wilz (ed), *Le rôle politique de la Cour de justice de l'Union européenne* (Brussels, Bruylant 2019).

Trevor Cook (ed), *Sterling on World Copyright Law* (4th ed., London, Sweet & Maxwell 2015).

Gerard Conway, *The Limits of Legal Reasoning and the European Court of Justice* (Cambridge 2012).

Frank B Cross, 'The Significance of Statutory Interpretive Methodologies' (2007) 82 *Notre Dame L Rev* 1971.

Mireille van Eechoud, 'The European Concern with Copyright and Related Right', in P. Bernt Hugenholtz (ed), *Harmonising European Copyright Law: The Challenges of Better Lawmaking* (Alphen aan den Rijn, Kluwer 2009).

Lee Epstein & Jack Knight, *The Choices Justices Make* (Washington, DC, CQ Press 1998).

William N Eskridge, Jr, *Interpreting Law: A Primer on How to Read Statutes and the Constitution* (Saint Paul, MN, Thomson West 2016).

Marcella Favale, Martin Kretschmer and Paul C Torremans, 'Is There an EU Copyright Jurisprudence? An Empirical Analysis of the Workings of the European Court of Justice' (2016) 79 *MLR* 31.

Marcella Favale, Martin Kretschmer and Paul C Torremans, 'Who is Steering the Jurisprudence of the European Court of Justice? The Influence of Member State Submissions on Copyright Law' (2020) 83 *MLR* 831.

Bryan A Garner (ed), *The Law of Judicial Precedent* (Saint Paul, MN, Thomson Reuters 2016).

Jane C Ginsburg, 'Tale of Two Copyrights: Literary Property in Revolutionary France and America' (1989–1990) 64 *Tul L Rev* 991.

Jonathan Griffiths, 'Constitutionalising or Harmonising? The Court of Justice, the Right to Property and European Copyright Law' (2013) 38 *Eur L Rev* 65.

Mark A Hall & Ronald F Wright, 'Systematic Content Analysis of Judicial Opinions' (2008) 96 *Cal L Rev* 63.

Thomas Horsley, *The Court of Justice of the European Union as an Institutional Actor* (Cambridge 2018).

Wilson Huhn, *The Five Types of Legal Argument* (3rd ed., Durham, Carolina Academic Press 2014).
Marc Jacob, *Precedents and Case-based Reasoning in the European Court of Justice; Unfinished Business* (Cambridge 2014).
Randy V Kozel, *Settled Versus Right: A Theory of Precedent* (Cambridge 2017).
Mitchel Lasser, *Judicial Deliberations; A Comparative Analysis of Judicial Transparency and Legitimacy* (OUP 2004).
Joan Maisel Leiman, 'The Rule of Four' (1957) 57 *Colum L Rev* 975.
Koen Lenaerts & José A Gutiérrez-Fons, *Les méthodes d'interprétation de la Cour de justice de l'Union européenne* (Brussels, Bruylant 2020).
Koen Lenaerts, Ignace Maselis & Kathleen Gutman, *EU Procedural Law* (OUP 2015).
Silke von Lewinski (ed), *Copyright Throughout the World* (Saint Paul, MN, Thompson West, loose-leaf).
Neil MacCormick and R Summers, 'Interpretation and Justification' in Neil MacCormick & Robert Summers (eds), *Interpreting Statutes* (Aldershot, Ashgate 1991) 512–515.
Jiří Malenovský, 'La contribution de la Cour de justice à l'harmonisation du droit d'auteur dans l'Union européenne' (2012) 13 *ERA Forum* 411.
Makeen F Makeen, *Copyright in a Global Information Society; The Scope of Copyright Protection under International, US, UK and French Law* (Alphen aan den Rijn, Kluwer 2000).
Christina Mulligan, Michael Douma, Hans Lind, & Brian Patrick Quinn, 'Founding-Era Translations of the US Constitution' (2016) 31 *Const Comm* 1.
Aaron Nielson, 'The Death of the Supreme Court's Certified Question Jurisdiction' (2010) 59 *Cath U L Rev* 483.
HW Perry, Jr, *Deciding to Decide: Agenda Setting in the United States Supreme Court* (Harvard 1991).
Andreas Rahmatian, *Copyright and Creativity: The Making of Property Rights in Creative Works* (Cheltenham, Edward Elgar 2011).
William H Rehnquist, *The Supreme Court* (New York, Vintage 2002).
Tito Rendas, 'Copyright, Technology and the CJEU: An Empirical Study' (2018) 49 *IIC* 153.
Verena Roder, *Die Methodik des EuGH im Urheberrecht* (Tübingen, Mohr Siebeck 2016).
Siniša Rodin, 'The Subject and Object in the Interpretation of EU Law', in Samo Bardutzky & Elaine Fahey (eds), *Framing the Subjects and Objects of Contemporary EU Law* (Cheltenham, Edward Elgar 2017) 31.
Eleonora Rosati, *Copyright and the Court of Justice of the European Union* (OUP 2019).
Matthew Sag, 'Predicting Fair Use' (2012) 73 Ohio St LJ 47; Favale, Kretschmer and Torremans, *id*, n 1.
Suvi Sankari, *European Court of Justice Legal Reasoning in Context* (Groningen, Europa Law Publishing 2013)
Sabine Saurugger & Fabien Terpan, *The Court of Justice of the European Union and the Politics of Law* (London, Palgrave 2018).
Antonin Scalia, *A Matter of Interpretation: Federal Courts and the Law* (Princeton 1997).
Antonin Scalia & Bryan A Garner, *Reading Law: The Interpretation of Legal Texts* (Saint Paul, MN, West 2012).
Lawrence Solan, 'The Interpretation of Multilingual Statutes by the European Court of Justice' (2009) 34 *Brook J Int L* 277.
Lawrence B Solum, 'Semantic Originalism' (Illinois Public Law and Legal Theory Research Papers Series No 07-24) «https://dx.doi.org/10.2139/ssrn.1120244» (2008).
Lawrence B Solum, 'The Interpretation-Construction Distinction' (2010) 27 *Const Comm* 95.
Lawrence B Solum, 'Originalism and Constitutional Construction' (2013) 82 *Fordham L Rev* 453.
Lawrence B Solum, 'The Fixation Thesis: The Role of Historical Fact in Original Meaning' (2015) 91 *Notre Dame L Rev* 1.
Lawrence B Solum, 'Originalist Methodology' (2017) 84 *U Chi L Rev* 269.
Lawrence B Solum, 'The Constraint Principle: Original Meaning and Constitutional Practice' <https://dx.doi.org/10.2139/ssrn.2940215> (2018).
Lawrence B Solum, 'Originalism Versus Living Constitutionalism: The Conceptual Structure of the Great Debate' (2019) 113 *Nw U L Rev* 1243.
David A Strauss, *The Living Constitution* (OUP 2010).
Robert Summers and Michele Taruffo, 'Interpretation and Comparative Analysis', in Neil MacCormick & Robert Summers (eds), *Interpreting Statutes* (Ashgate 1991) 465–466.

Tamás Szabados, '"Precedents" in EU Law—The Problem of Overruling', [2015:1] *ELTE Law J* 125.
Amanda L Tyler, 'Setting the Supreme Court's Agenda: Is There a Place for Certification?' (2010) 78 *Geo Wash L Rev* 1310.
Nicholas Zeppos, 'The Use of Authority in Statutory Interpretation; An Empirical Analysis' (1991–1992) 70 *Tex L Rev* 1073.



Taylor & Francis
Taylor & Francis Group
http://taylorandfrancis.com

INDEX

Note: **Bold** page numbers refer to **tables**; *italic* page numbers refer to *figures* and page numbers followed by "n" denote endnotes.

access providers 359, 360, 362–363, 366, 367, 368
ACI Adam 349, 350, 460
Act of the Intergovernmental Conference 450
Advocates General (AGs) **500**; allocation of cases 451–452; 'following' 456–459; impact of gender 445–446; languages 449, 454–455, 460–462; literature cited 455–456, 459–460; methodology 448–449; opinions, previous empirical studies 446–448; role 450–451; selection 450
Afghanistan Papers 22
Agreement on the European Economic Area (EEA) 153
Agreement on Trade-Related Intellectual Property Rights (TRIPS) 84, 127, 272, 339–340, 369
Appleby v the UK 294
applicable law 408; crossborder transaction 40; infringement claim 404–405, 410; online copyright infringement cases 397; to plaintiff 403–404; soft law projects 409; State's territory 402
Arnold, R. 345
ARPANET 390
artificial intelligence: assessing infringement of reproduction right 307–310; ghost of copyright past 307–311; ghost of copyright present 301–307; interpretation of extraction right 310–311; unfinished business 312–313
Ashby Donald 286
AT v Globe24h.com 420
Austrian Copyright Act 372
authorship: content work, indistinguishable from their form 69–70; copyright 64–65; European copyright, challenges for 77–80; expressive form, determined by nature or purpose 73–74; expressive objects, certain unity and expressive form 66–71; ideas and information abstracted from works 68–69; insufficient scope 72–74; intellectual creations 71–77; literary or artistic works 65–66; product of insufficient authorship 74–77; unreliable human faculties, expressive objects 70–71; words and expressive elements 72–73
author's rights, definition of 266

Bastei Lübbe 32, 226
Berne Convention (BC) 43, 57, 77, 85, 88, 90, 92–95, 98–99, 110, 124, 126, 128, 135–136, 152, 175, 218, 249–250, 339, 341, 436, 477, 507; excludes application of protections 68; "literary and artistic works" 65–66, 71
Bezpečnostní softwarová asociace-Svaz softwarové ochrany/Ministerstvo kultury ('BSA') 69, 87
Blomqvist 204
Bonnier Audio 29–30
Brompton Bicycle Ltd v Chedech/Get2Get 70, 87, 91, 93, 95–96, 217
BY v CX 226, 230

Campbell v Acuff-Rose Music, Inc. 328, 329–330
Charter of Fundamental Rights of the European Union (CFREU) 19, 46, 51, 94, 140, 225, 231, 237, 239, 255, 318

choice of law: targeting approach on the level of substantive law 404–407; ubiquitous infringements 407–410
Cindy Lee Garcia v Google Inc 422
CJEU case law: exceptions to right of reproduction (Article 5(2) and (3) InfoSoc) 143–147; general principles and definitions 134–136; partial reproduction 139–141; private copying and fair remuneration 142–143; reproduction or adaptation 141–142; temporary reproduction and related exception(s) 136–139
Class International 221
Cloudfare 388, 392
C More Entertainment 55
Coditel II 44
Cofemel v G-Star Raw CV 69, 83; functionality stone 93–94; get far 89–90; got air under wings 85–86; *Infopaq* 86–87; no added value or subjective assessments 88–89; no categorization of works 94–95; no *l'unité de l'art* but EU cumulation 97–99; originality 90–92; outlook from 83–85; spare part 95–97; 'work' 92–93
collective management organizations (CMO) 501
'communication' 51, 159, 168, 176–179, 187–189, 196, 197, 199–203, 382, 404, 478–484; adapting to digital world 479–483; asking and answering wrong questions 185–186; Case C-597/19 *MICM v Telenet* 189; Case C-442/19 *Stichting Brein v News Service* 188–189; context 180–184; elements of the test 177–179; high level of protection and broad interpretation 180–181; ignoring the dissemination function of copyright law 182–184; implications of choosing the wrong criteria 184–185; Joined Cases C-682/18 and C-683/18, 187–188; judicial activism 181–182; predicting pending cases 186; from *Rafael Hoteles* to *STIM and SAMI* 174–176; requests for change in CJEU case law 478–479; still getting it wrong 179–180; test 179
Communications Decency Act 423
Computer Program Directive (CPD) 4, 153
Constantin Film v YouTube 30, 364
content delivery network (CDN) 381, 387
Copyright Act 1976 522
copyright balance 248–249
copyright cases: analysis 516–518; case selection 488–490; comparison of use of topoi 509–513, *510, 511,* **512,** *513,* **513**; concepts 522–523; contextual harmonization, statutory analogy, and use of arguments 519–520; courts 493–496; different scope of copyright protection 504–507; European Court of Justice 496–501; findings 523; historical arguments 521–522; interpretive spectrum 490–491; linguistic-textual arguments 514–518; logical-conceptual arguments 521; method 488–493; precedent 520–521; processing of results 492; statistical-descriptive overview 496–503; statistical findings 508–513; substantive spectrum 491–492; systemic axis 519–522; teleological-evaluative axis 522–523; text as starting point of any interpretation 514–516; trans-categorical arguments 523; use of topoi over time *508,* 508–509, *509,* **509,** *510*; US Supreme Court 501–503
copyright content moderation: domain names and DNS 382–384; functioning of DNS and content blocking landscape 380–381; liability exemptions in E-Commerce Directive 384–391; making sense of "location" 392–393; "voluntary" arrangements 391–392
Copyright, Designs, and Patents Act 258
copyright ecosystem 264
copyright law policymaking, effectiveness of 53–56
copyright owner in directives: act of 'communication' 196–198; distribution right 204–205; knowledge or intention 201–204; 'new' public 199–201; notion of a 'public' 198–199; right of communication to the public 195–204
copyright protection: assessment of the ECJ's reasoning 506–507; blueprint for proving 232–238; fair balance 228–232; legal foundation of 504–506; procedural autonomy, effectiveness 224–228; scope of harmonization 218–221; trade mark and design law 221–224; US Supreme Court 507
copyright territoriality 42–43
Coty Germany 31, 226
country code Top-Level Domains (ccTLD) 415
Court of Justice of the European Union (CJEU) 83; 'accessibility approach' 399; appropriation, notion of 310; "autonomous concepts of EU law" notion of 14; case law (*see* CJEU case law); constitutionalization of EU copyright law 19; establishment or functioning of 5; exhaustion rule 163; formal bindingness 13; fundamental rights norms 19–20; judicial activism or judicial law-making 8, 13; principles of free movement of goods and services 11; in regulation of copyright field 8; Rental and Lending Rights Directive 11; *Reprobel* 12; Satellite and Cable Directive 11; Term of Protection Directive 11
courts: comparison 496; European Court of Justice 493–494; US Supreme Court 494–495
Cruciano Siragusa 229
Cruz Villalon, P. 499

Database Directive (DBD) 65, 128, 153, 310–311, 344, 404, 489
Deckmyn v Vandersteen 25, 144, 258, 290, 293–294, 333–337, 334

'deliberate' intervention, notion of 197
Deutsche Grammophon 153
'different technical means' 178
Digital Services Act (DSA) 212, 393, 431
Directive 89/104/EEC (First Trade Mark Directive) 221
Directive 91/250, 90
Directive 95/46, 426
Directive 98/34, 106
Directive 96/9/EC 129, 300, 312, 458
Directive 98/34/EC 55
Directive 98/71/EC 86
Directive 1995/46/EC 425
Directive 2001/29/EC 83, 158, 217, 231, 255, 258, 267, 300, 312, 347, 361–367, 428, 459, 477–478, 481, 483–484; access providers as intermediaries 362–363; fundamental rights and proportionality 366–367; infringement of copyright or related rights 363–366; purpose 361–362
Directive 2001/84, 475
Directive 2004/48/EC on the enforcement of intellectual property rights (IPRED) 7, 12, 20, 23, 24, 27, 28, 29, 30, 48, 64, 72, 77, 86, 93, 95, 98, 109–110, 125, 129, 131–132, 134, 139, 145, 147, 153, 166, 176, 180–183, 195–196, 198–199, 205, 207–212, 218, 223, 229, 231, 233, 234, 248, 252–257, 259–260, 277–278, 282, 284, 288–290, 292, 294, 305, 336, 344–345, 347, 361–369, 371–372, 375, 379, 382–384, 392, 404, 409, 489
Directive 2006/115, 478
Directive 2006/116/EC 6
Directive 2008/95/EC (Second Trade Mark Directive) 222
Directive 2009/24/EC 300
Directive 2011/77/EU 6
Directive on Copyright in the Digital Single Market (CDSMD) 5, 9–10, 12, 15, 20, 48, 53, 54, 56, 102, 194, 218, 259, 265, 274–276, 301, 410
discrimination problem 85
distributed denial-of-service (DDoS) attack 381
distribution rights: act leads to 157; application to digital environment 159–161; to cross-border situations 158–159; exhaustion of (*see* exhaustion of distribution right); historical overview 152–155; "to the public" 157–158; transfer of possession or of ownership 155–156
Doceram GmbH/CeramTec GmbH 93
domain name system (DNS): blocking or filtering 381; definition 380; and E-Commerce Directive 384–385; registries or registrars 383; service providers 381
Donner 158–159, 204, 205
Dr. Seuss Enterprises, L.P. v Penguin Books USA, Inc. 330
DR/TV2 Danmark 25
Dr. Yeung, Sau Shing Albert v Google Inc 421

E-commerce Directive (ECD) 179, 187–188, 194, 210, 367, 369, 373–374, 393, 423
Elements of the Philosophy of Right (Hegel) 78
Elsevier v Cyando 187–188
enforcement: blocking and filtering injunctions 30–32; *C-18/18 Glawischnig-Piesczek v Facebook* 427–431; C-507/17 *Google v CNIL* 424–426; disclosure injunctions 28–30; global or local enforcement 431–435; international trend 419–423; *Licra v Yahoo!* 416–419; limiting conflicts and promoting international coexistence 432–433; subject matter specific balanced approach 433–435
Equustek Solutions Inc v Google 419–420
EU Commission: commission's guidelines 10–11; gold plating 8–10
EU copyright standard 86
European Community (EC) 41, 90
European Convention on Human Rights (ECHR) 21, 46, 271, 282, 318, 333, 336
European Copyright Code 57
European Court of Human Rights (ECtHR) 181, 256, 271, 286, 343
European Court of Justice (ECJ): interpreted norms **501**; *Judge Malenovský's views* 506–507; opinions, authorship of **498**; pace of cases *496*; parties **502**; reasoning 506–507; referrals, origin of **497**; subject matter **500**; *Verena Roder's dissertation* 507
European Economic Community ('EEC') 90
"Europeanisation" of copyright law 53
EU Satellite and Cable Directive 410
Eva-Maria Painer v Standard Verlags GmbH 21, 25, 74, 87, 143–144
exceptions: to copyright 249, 265; in EU copyright framework 267–270; exhaustive nature of the catalogue 27–28; interpretation of copyright exceptions 24–27; legal nature of 265–267; and limitations 274–276; new copyright exceptions 276–277; rules and 265–266; and scope limitations 266–267
exhaustion of distribution right: application to online context 167–169; consent criterion 165–166; copy criterion 162–164; mandatory character 167; overview and rationale 161–162; sale/transfer criterion 165
expressive objects 66–71

"fair balance" paradigm 33, 230
"fair" compensation, notion of 142
Fair use and the 1976 Act 327–328
Filmspeler 139, 175, 176, 184, 350
First Amendment Rights 418
Fixtures Marketing 461
"flexibility clause" 6

Floridi, L. 415
Flos SpA v Semeraro Casa e Famiglia SpA ('Flos') 97
Folsom v Marsh 326–327
Football Association Premier League Ltd and Others / QC Leisure and Other 73, 87, 91, 137, 175, 177
Football Dataco Ltd and Others / Yahoo! UK Ltd and Others 87, 91, 405
'For profit' 179
"free and creative choice" criterion 237
French Competition Authority (FCA) 112–113
French Declaration of Human Rights 476
French government before CJEU: case studies 478–484; defending compatibility 476–477; dissemination of legal solutions 477–478; providing better understanding 475–476; rationales behind active stance 475–478; right of communication to public 478–484
functionality exclusion test 96
fundamental rights: broad discretion for Member States 292–295; copyright as 21–22; and copyright explained, tensions between 284–287; enforcement 28–32; exceptions 24–28; fundamental freedoms' framework 292–295; legal framework of fundamental rights 283–284; as limits to scope of exclusivity 22–23; or constitutional law approach 49; ownership 21–23; rise in CJEU copyright exception jurisprudence 287–292
Funke Medien NRW GmbH v Bundesrepublik Deutschland 22, 26, 70, 73, 249, 252, 258

"GAFA" rise of 53–56
Gaster, J. 460
Gautzsch Großhandel 222, 227
Geiger, C. 249
generic Top-Level Domains (gTLD) 415
German Copyright Act 105n20, 132n68
Giblin, R. 185
Ginsburg, J. 43, 185, 460
Glawischnig-Piesczek v Facebook 422, 424, 430
gold plating 8–10
Google v CNIL 422, 424, 427, 429
Google v Equustek II 422
'Green Paper on Copyright and Related Rights in the Information Society' 127
Griffiths, J. 21
GS Media 175, 176, 182, 209, 230–231
Gutierrez-Fons, A. 522

"harmonization by directive" technique 45
harmonization: contextual harmonization 519–520; Court of Justice of the EU 11–15; EU Commission 8–11; expansions of competence 8; fair balance 228–232; internal market 49; lack of 218–221; minimum harmonization 7; review of EU competence 4–8; total or maximum harmonization 7
Hohfeld, W. N. 260
hosting nomadism 359
Hugenholtz, P. B. 45, 460
Human Rights Act (HRA) 285
humor in US copyright law: and American copyright law 325–333; *Deckmyn v Vandersteen* 333–337; *Fair use and the 1976 Act* 327–328; *Folsom v Marsh* 326–327; Parody and fair use 328–333; Parody in EU 333–337; setting scene 320–325

ICANN's Uniform Dispute Resolution Policy (UDRP) 381
Infopaq II 448
Infopaq v Danske 21, 72, 86–87, 134, 135, 224, 461; aftermath of 25; judgment 24
infringement: applicable law 404–405, 410; artificial intelligence 307–310; choice of law 407–410; of copyright or related rights 363–366; online copyright infringement cases 397; scope of *prima facie* 23; *see also* copyright protection
injunctions: blocking and filtering 30–32; disclosure injunctions 28–30; primary and accessory liability 209–211
intellectual property (IP) 218; Article 17(2) of EU Charter 271–273; definition 84, 278; effect of Article 17(2) 273–274; "human" right 270–271
'Intellectual Property in Private International Law' (ILA Guidelines) 400
Intellectual Property Scholar Conference 2018 486n1
"internal market" notion of 5, 41
International Covenant on Civil and Political Rights 286, 434
International Covenant on Economic, Social and Cultural Rights 48, 49, 270
Internet Corporation for Assigned Names and Numbers (ICANN) 415
Internet service providers (ISPs) 28, 31, 363
Italian Competition Authority (ICA) 104
Italian Copyright Act 103n7, 104
ITV v TV Catchup 175, 178
Izyumenko, E. 249

judge-*rapporteur* 493
judicial activism or judicial law-making 8, 13, 181–182
Judiciary Act of 1789 495
Judiciary Act of 1925 495
jurisdiction: accessibility approach 398–400; extraterritorial jurisdiction 400–403

Kienitz v Sconnie Nation LLC 330, 332
'knowledge' 178–179
Kohler, J. 152, 162
Kur, A. 85

Lanham Act 520
Laserdisken 20
"legal indeterminacy" 13n65
legal secretaries: allocation of cases 454; languages spoken 454–455; role 453–454; selection 452–453
Leistner, M. 460
Lenaerts, K. 522
Levola Hengelo BV v Smilde Foods BV 70, 88, 91, 95
von Lewinski, S. 460
liability: content delivery networks, case of 387–391; DNS services 385–386; exemptions in E-Commerce Directive 384–391; IP address rental, case of 386–387; 'parasitic' nature of accessory liability 208; primary and accessory (*see* primary and accessory liability)
'linear' and 'non-linear' services 195
'literal' interpretation 514n138
literary and artistic works 65–66
Lombardo v Dr. Seuss Enterprises, L.P. 330
L'Oréal SA and Others v eBay International AG and Others 405
Lucas, A. 460
Luksan 22, 272
Lunney Jr. G. 183

MacCormick, N. 490
Malenovsky, J. 506
Marrakesh Directive 133
Marrakesh Treaty 344
maximum harmonization 7
Mc Fadden 32, 374
Meltwater 138, 139
Member States: exclusion of copyright law 41; existing national exceptions 7; intellectual property rules 44; minimum harmonization measures 15; national copyright identities 47; non-existent infringement 399; in secondary legislation 8; uses or types of works or other subject matter 10
"Merger Doctrine" 237
Metronome Musik 19–20, 448
Microsoft v Mibac 461
Milton, J. 326
minimum harmonization 7
Montagnani, M. L. 50
de Montaigne, M. 321

Nazerali v Mitchell 420
Netlog 31
network layer services 379n3
'new public' 178
NIS Directive 380

Oberbank 222
"One EU copyright law" objective 47
'online content sharing service providers' (OCSSPs) 206, 208
Optional Code of General Contract Law 40
originality: "author's own intellectual creation" 78; *Cofemel* revolution 90–92; EC originality concept 90
Orphan Works Directive 133, 344
OSA 461
ownership and scope of protection: copyright as fundamental right 21–22; scope of exclusivity 22–23

Padawan 267
panorama exception 50
'parasitic' nature of accessory liability 208
Paris Tribunal 418
partial reproduction 139–141
Peek & Cloppenburg 156, 204
Pelham GmbH v Ralf Hütter 23, 26, 28, 51, 73, 252
Personal Information Protection and Electronic Documents Act (PIPEDA) 420
Peter Pinckney v KDG Mediatech 398
Peterson v YouTube 187–188
Pez Hejduk v EnergieAgentur.NRW GmbH 398
The Pirate Bay 482
"pirate copies" 358
Poortvliet 164
Portuguese Code on Copyright and Related Rights 85
Portuguese Copyright Act 92
"press product" 105
"press-publications" 108
press publishers: and Agence France-Presse (AFP) 114; "appropriate remuneration" 111; CDSMD 109–110; contribution of 113; digital services and publishers 115–116; EU press publishers' right 108–112; investments 113; national implementations 112–115; from national press publishers' rights to EU press publishers' right 105–108; "principle of zero remuneration" 115; problem of overlapping rights 111; right *à la française* between IP and competition law 112–115; tale (not only) of copyright and related rights 103–105
primary and accessory liability: accessory liability in EU 205–206; Article 17 of Directive on Copyright in DSM 206–208; exceptions and limitations 208–209; exclusive rights of copyright owner in directives 195–205; injunctions 209–211

private copying and fair remuneration 142–143
private ordering 304
procedural autonomy 220
Promusicae 29, 230
Pro Sieben Media 252
Protect IP Act (PIPA) 381n12
'*psychisch vermittlete Kausalität*' ('psychological causation') 202n73
'public' 177–178
"publishers of press publications" 108
Puls 4 v YouTube 187–188
Puškár 226

quotation: amount and substantiality of portion 254; under CJEU case law 250; copyright balance 255–257; for criticism, definition 146; effect of use, potential market 254; exceptions and fundamental rights 255–257; exclusive rights 255–257; under international and EU copyright law 249–250; kind of copyright-protected work 253; legal nature of 257–260; purpose and character of use 251–253

Rafael Hoteles 174–176
Ranks 461
Reha Training 135
Reinbothe, J. 460
remedies 219–220, 259, 369, 492
Renckhoff 23, 135
Rental and Lending Directive (RLD) 11, 20, 153, 348, 489
"reporting" notion of 146
Reprobel 55
reproduction, definition of 308
Resale Right 489
Ricketson, S. 460
right of distribution *see* distribution rights
right of reproduction: CJEU case law 134–147; commentators and policy makers 125–126; exceptions and limitations 130–134; international background and preparatory works 126–128; in legislative texts 126–134; notion of "direct or indirect" reproduction 129; notion of "fair" 133; private copying exception 483–484; scope of right of reproduction in EU directives 128–130; temporary reproduction, notion of 137
Roder, V. 507
Rome Convention 126, 128, 341
Rosati, E. 333, 336, 345
Ryanair v PR Aviation 275–276

SABAM 272, 370, 373
SAS Institute Inc. v World Programming Ltd 72, 87
Satellite and Cable Directive 11, 488
Scarlet 31
SCF v Marco del Corso 175, 461
Schricker, G. 90, 91
SCOTUS *502,* **503, 504**
Seignovert, R. 320
Senftleben, M. 346
Seuss, Dr. 322, 323, 330
SGAE v Rafael Hoteles 174, 175, 176, 180, 189
Sharpston, E. 499
SI and Brompton Bicycle Ltd v Chedech/Get2Get ('Brompton Bicycle') 86–87
Single European Act 8
SNC Prisma Presse v Charles V 336
soft law projects: ghost of the copyright past 307–311; ghost of the TDM yet to come 312
Software and Database Directives 125–126, 130, 134–135, 346
Software Directive 65, 66, 68, 74, 76–77, 125, 127, 304, 343, 488
Sover, A. 319
Spiegel Online 26, 28, 51, 145–146, 249, 258
Stichting Brein 135
STIM and SAMI 174–176
Stop Online Piracy Act (SOPA) 381n12
Stromholm, S. 91
Subodh Gupta v Herdscene & Ors 422
Summers, R. 490
Supreme Court Case Selections Act of 1988 495
Svantesson, D. 414, 415
Svensson 55, 175, 184
Swami Ramdev & Anr v Facebook, Inc. & Ors 421
Syed 461
System for Standardized Access/Disclosure to non-public gTLD registration data ('SSAD') 388, 390
Szpunar, M. 28

Taddeo, M. 415
Taruffo, M. 490
temporary reproduction 136–139
Term Directive 65, 489
Term Extension Directive 6
Term of Protection Directive 7n24, 11
text and data mining (TDM): advantages of 300; exceptions 301–303, 305; ghost of the copyright past 307–311; protections 300; reproduction or adaptation of software 304; status of the copies 303
Three-step Test: in acquis 343–344; content of 348–350; EU's commitments 339–343; implementation into EU law 343–350; in international law 339–341; limit to Member State discretion or subjective duty of every user 345–348; scope of international three-step test 341–343
Tom Kabinet 160–161
Tommy Hilfiger 362, 369
total harmonization 7
Trade Mark Directive 161, 223

Trade Secrets Directive 313
Treaties or secondary law 10
Treaty of Amsterdam 47
Treaty of Lisbon 6, 19, 21, 45, 50, 239, 268, 283, 450
Treaty of Rome 41, 44
Treaty on the European Union (TEU) 4, 505
Treaty on the Functioning of the European Union (TFEU) 4, 8, 41, 153, 450
Trstenjak, V. 499
trusted flagger or trusted reporter 391
"trusted notifier" 391

Ulmer 144–145
unification, European copyright law: CJEU's judicial activism 52–53; human rights and access to culture 47–51; one market, one copyright law 41–47; rise of "GAFA" and effectiveness of copyright law policymaking 53–56
unité de l'art 99
"unity in diversity" principle 47
Universal Declaration of Human Rights 48, 270
UPC Telekabel 257, 371
URL (Uniform Resource Locator) 360, 368
US Copyright Act 153, 342
UsedSoft 167, 168
user rights: after DSM Copyright Directive 274–277; from derogations to autonomous sources of rights 267–268; in EU copyright framework 267–270; exceptions, scope limitations and 266–267; fair balance and proportionality 269–270; fundamental rights, expressions of 268–269; intellectual property as fundamental right 270–274; new copyright exceptions 276–277; prohibition of contractual override of exceptions and limitations 274–276; remarks on legal nature of copyright exceptions 265–267; rules and exceptions 265–266
user-side access providers 362

Vivant, M. 460

Walter, M. 460
Walton, K. 75
Web 2.0 sharing websites 195
website blocking: Art. 8(3) of the Copyright Directive 2001/29, 361–367; blocking costs 370–372; definition and methods of implementation 359–361; fundamental rights 367–369; general monitoring obligations 373–374; in member states and outlook 374–375; overblocking 370; secondary law and proportionality 369; structurally copyright infringing websites 358–359; subsidiarity 372–373
Wega 364
Wilcoxon-Mann-Whitney test 510, 510n131
Wilkins v Aiken 325
WIPO Diplomatic Conference of 1996 130n56
WIPO Performances and Phonograms Treaty (WPPT) 124, 152, 340
work: *Cofemel* revolution 92–93; definition 12
World Intellectual Property Organization (WIPO) Copyright Treaty 94, 124, 152, 175, 181, 264, 339–340
World Trade Organization (WTO) 84

Yahoo!'s First Amendment rights 418
YouTube v Geeta Shroff 422

Ziggo 175, 176, 184, 186, 188



Taylor & Francis eBooks

www.taylorfrancis.com

A single destination for eBooks from Taylor & Francis with increased functionality and an improved user experience to meet the needs of our customers.

90,000+ eBooks of award-winning academic content in Humanities, Social Science, Science, Technology, Engineering, and Medical written by a global network of editors and authors.

TAYLOR & FRANCIS EBOOKS OFFERS:

- A streamlined experience for our library customers
- A single point of discovery for all of our eBook content
- Improved search and discovery of content at both book and chapter level

REQUEST A FREE TRIAL

support@taylorfrancis.com

Routledge
Taylor & Francis Group

CRC Press
Taylor & Francis Group