Dancing Baby Takes on Prince and Wins: Don't Go Crazy With DMCA Copyright Infringement Takedown Notices

On September 14, 2015, the Ninth Circuit Court of Appeals ruled that an artist and music group can't compel the removal from YouTube of a home video of a baby dancing to copyrighted music if it would be unfair to do so — well, more technically, that a copyright owner seeking to have allegedly infringing content removed from the Internet under the Digital Millennium Copyright Act ("DMCA") (codified at 17 U.S.C. § 512) cannot claim a good-faith belief that a use is not authorized without first considering whether the use constitutes "fair use" under copyright law. *Lenz v. Universal Music Corp.*, Case Nos. 13-16106/13-16107 (9th Cir. Sept. 14, 2015). (A copy of the opinion is available here.)

The Dancing Baby Bobs His Way to Court

This so-called "dancing baby case" arose in 2007 when Stephanie Lenz ("Lenz") uploaded to YouTube a 29-second video of her toddler bobbing up and down to the song *Let's Go Crazy* by the artist (once again) known as Prince.

In response, Prince, through his publishing administrator responsible for policing and enforcing his copyrights — Universal Music Corp. and related entities ("Universal")— sent YouTube a takedown notice, which included the following statement required under § 512(c)(3)(A)(v) of the DMCA:

"We have a good faith belief that the above-described activity is not authorized by the copyright owner, its agent, **or the law**."

(Emphasis added.) (As we'll shortly see, these three, pesky little words spawned this 8 year – and continuing – lawsuit.)

In response to Universal's takedown notice, YouTube removed the video, and notified Lenz that her video had been taken down. Lenz sent two counter-notifications to YouTube claiming that her use of the song was a "fair use" (and therefore permitted), which eventually resulted in the video's reinstatement.

Thereafter, on July 24, 2007, with the assistance of the Electronic Frontier Foundation as *pro bono* counsel, Lenz filed a lawsuit against Universal in a federal district court, claiming Universal violated Section 512(f) of the DMCA, by "materially misrepresent[ing]" that her home video is infringing.

The district court denied the parties' cross-motions for summary judgment on the 512(f) claim, and certified its order for interlocutory appeal.

Digital Millennium Copyright Act: Who's Your Daddy?

At the heart of the Lenz' lawsuit is the DMCA, in particular the provisions governing a copyright holder's obligations when it comes to notifying an online service provider (such as YouTube) of alleged copyright infringement and requesting removal of the infringing content, and the penalty for misrepresentations in any such takedown notification.

The DMCA, signed into law on October 28, 1998, was passed to address the growing threat of digital copyright infringement. It criminalizes the production and dissemination of technology designed to circumvent measures that control access to copyrighted works, while simultaneously shielding service providers from liability for copyright infringement by their users in certain carefully prescribed circumstances.

As a general rule, to qualify for DMCA's safe harbor protection (that is protection and immunity from monetary damages and injunctive relief), online service providers must (among other things):

- Expeditiously remove or block access to the allegedly infringing content upon receiving a DMCA-prescribed notice of the alleged infringement ("takedown notification")
- Promptly notify the subscriber that it has removed or disabled access to the material and provide the subscriber with the opportunity to respond to the notice and takedown by filing a DMCA-prescribed counter notification
- Timely restore the material within 10 to 14 business days after receiving the DMCA-prescribed counter notification, unless the copyright owner files an action seeking a court order against the subscriber ("put-back procedures")

Section 512(c)(3)(A) of the DMCA sets forth the elements that such a "takedown notification" must contain. These elements include identification of the copyrighted work, identification of the allegedly infringing material, and, critically (under § 512(c)(3)(A)(v)), a statement that the copyright holder believes in good faith the infringing material "is not authorized by the copyright owner, its agent, or the law."

To deter abuses in this extrajudicial take-down/put-back process, § 512(f) of the DMCA provides that any person who "knowingly materially misrepresents" that the challenged content is "infringing," or that it was removed or disabled through mistake or misidentification, is liable for any

resulting damages (including costs and attorneys' fees) incurred by the alleged infringer, the copyright owner or its licensee, or the online service provider.

The "dancing baby" is the progeny of the interplay between §§ 512(c)(3)(A)(v) and 512(f).

The Ninth Circuit Court of Appeals Decision: Be Fair to Dancing Babies [and other Innocent Users]

In a case of first impression, the Ninth Circuit ruled that copyright holders must consider *fair use* — that is, statutorily permitted use of a copyrighted work in a non-infringing manner — before issuing DMCA takedown notices for allegedly infringing content posted on the internet.

According to the court, the DMCA "unambiguously contemplates fair use as a use authorized by the law." While Universal argued that fair use is merely an affirmative defense that excuses otherwise infringing conduct and that, therefore, it is not part of "the law" contemplated by § 512(c)(3)(A)(v), the court disagreed, holding that, under the Copyright Act of 1976, a fair use of a protected work is a "right" and not an infringement in the first place.

In other words, in deciding whether a complaining party has a "good faith belief that the use of the material in the manner complained of is not authorized by the copyright owner, its agent, or the law," (§512(c)(3)(A)(v)), fair use is to be included as an "authorized" use by "the law."

After holding that copyright holders must first consider whether an apparently infringing use qualifies as a fair use before sending a takedown notice under the DMCA (or otherwise be subject to penalties under §512(f)), the Ninth Circuit also clarified:

- The copyright owner's fair use analysis need not be correct, provided that he or she has a subjective good faith belief that fair use does not apply. (This is true even if a court subsequently reaches the opposite conclusion and finds that fair use does in fact apply such that the use is not infringing.)
- The copyright owner's consideration of fair use need not be searching or intensive, nor does the formation of a subjective good faith belief require a full-blown investigation of the allegedly infringing content.
- If a copyright owner subjectively believes that there is a high probability that a particular use qualifies as fair use, but deliberately avoids learning of the fair use, such willful blindness negates a finding of good faith and renders any statement to the

contrary in the DMCA takedown notification a knowing and material misrepresentation for purposes of § 512(f).

- A copyright holder who only pays "lip service" to the consideration of fair use by claiming it formed a good faith belief when there is evidence to the contrary is subject to § 512(f) liability.

- Damages are available under § 512(f) even if the plaintiff whose materials were removed suffers no actual loss. Such a plaintiff may still recover nominal damages and attorney's fees.

Was the "Dancing Baby" Video Fair Use?

The "fair use" doctrine, codified in 17 U.S.C. 107, generally provides that certain types of reproductions of copyright works for criticism, parody, comment, news reporting, teaching, scholarship, or research do not constitute copyright infringements.

While there is no magic formula available to determine whether a particular use of a protected work is "fair," the statute sets forth the following four factors:

- The purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes

- The nature of the copyrighted work

- The amount and substantiality of the portion used in relation to the copyrighted work as a whole

- The effect of the use upon the potential market for or value of the copyrighted work.

Given the fact-specific nature of the fair use inquiry, the Ninth Circuit did not render an opinion as to whether Lenz' use of Prince's hit song in her family video constitutes fair use; instead, the case was remanded back to the lower court for a jury to decide this ultimate issue.

Practical Implications: What The Dancing Baby Can Teach Us

The Ninth Circuit Court of Appeals was admittedly "mindful of the pressing crush of voluminous infringing content that copyright holders face in a digital age." However, despite the practical burdens faced in policing the internet for infringing content, copyright holders are still required to comply with the procedures outlined by Congress in the DMCA.

To avoid potential liability under the DMCA, copyright owners should adopt written internal procedures requiring fair use be considered before they (or their representatives) send a DMCA takedown notification. The policy should explicitly list the fair use factors, which in turn should be

separately checked-off in a stand-alone document to evidence compliance with the copyright owner's § 512(c)(3)(A)(v) obligations.

In short, while going crazy may be a good idea for a song, copyright owners should be more cautious when it comes to issuing DMCA takedown notifications. In the DMCA context, baby steps are still needed.

If you have any questions about this article, please contact:

Robert McHale, Esq.
R | McHale Law
9 West Broadway, Suite 422
Boston, MA 02127
Tel. 617.306.2183
Email: robert.mchale@rmchale.com