HOT ISSUES IN PHOTOGRAPHY

By Mickey H. Osterreicher

<u>Intro</u>

This session and the CLE material provided is an update from the one presented three (3) years ago.

Treatment of photographers by police and protestors

Even as the time of pandemics and protests recede, visual journalists continue to be squeezed on all sides while covering matters of public concern. More so than others, photographers still cannot work from home and risk their health and safety covering public health issues, high conflict zones and daily news stories.

While covering breaking news stories, visual journalists continue to be <u>arrested</u>, <u>attacked</u>, <u>harassed</u> and <u>interfered with</u> not just by <u>police</u>, <u>but also by people</u> who do not wish to be photographed or recorded. The U.S. <u>Press Freedom Tracker</u> lists an ever-increasing number of these incidents as well as arrests and specific targeting by law enforcement throughout the country. See: <u>Gray v City of New York</u>.

Compounding this troubling trend, are incidents where police, prosecutors and federal agencies have <u>sought the outtakes and unpublished/not-broadcast images</u> and recordings made by both independent and staff visual journalists of the protests. Fortunately since this last session in 2020, the court affirmed protections provided by Washington state's shield law by denying police subpoenas for unpublished videos and photos taken over a 90-minute period in the downtown Seattle area during a demonstration protesting the killing of George Floyd. The U.S. House Select Committee to Investigate the January 6th Attack on the United States Capitol <u>subpoenaed telephone</u> records of a photojournalist who had embedded with the Proud Boys. That subpoena was

successfully challenged by attorneys from Davis Wright Tremaine LLP and after a year of extensions requested by the government, the subpoena was <u>withdrawn</u> without any of the records being produced.

In 2022. Arizona <u>proposed a law</u> that originally required those wishing to record police performing their official duties un public to remain 20' back from the officer. After a letter from NPPA, joined by _____ organizations warning that the bill was unconstitutional, the legislature reduced that distance to 8' spurring another letter from the same group advising them that this still not cure the problem. The bill was then passed along struct party lines resulting in a third letter to the governor asking that it not be signed. After the governor ignored that request, the ACLU and Arizona Broadcasters joined by NPPA successfully challenged the law, with the <u>court granting a preliminary injunction</u> which then became <u>permanent</u>. There are similar bills in <u>Louisiana HB 85</u> and <u>Indiana HB 1186</u>.

<u>Labor</u>

Continuing staff reductions by many news organizations, means that more and more journalists do not have status and benefits as employees but rather independent contractors. This fact itself comes with its own unique challenges as visual journalists and other freelancers have experienced first-hand in California as a result of the <u>AB 5</u> law which became effective on January 1, 2020. That law was unsuccessfully <u>challenged</u> in the courts by several organizations, including the National Press Photographers Association (NPPA). A judge <u>denied the motion for a preliminary injunction</u> and <u>dismissed the case</u>, the Ninth Circuit upheld that ruling and the U.S. Supreme Court denied certiorari.

Permits

Another case, <u>Price v. Barr, et al</u>, 1:19-cv-03672 (District Court, District of Columbia, 2019) involved an independent filmmaker who was cited for filming without a permit by the National Park Service. While the court granted summary judgment in favor of the photographer, the U.S. Court of Appeals for the D.C. Circuit reversed In a very disappointing and bizarre ruling that disaggregated the First Amendment protections afforded films from the act of recording those works. En banc review, as well as a cert petition were <u>subsequently denied</u>.

Drones

On the use of drones for newsgathering, the NPPA joined by the Texas Press Association <u>successfully challenged</u> certain sections of Texas statute and <u>an appeal of that case</u> was recently heard by the Fifth Circuit.

Encryption

Another big issue impacting photography is the <u>encryption</u> of police radio frequencies making it more difficult, if not impossible, for news organizations and journalists to monitor police activity and timely get to the scene of breaking news stories. NPPA along with RTDNA and other organizations are diligently working to regain access to these channels in several major cities around the country.

Copyright & Fair Use

AWF v Goldsmith will be part of a greater discussion, but we are providing links the **SCOTUS docket** for those who need the opinion as well as the filed briefs.

Misbehavior euphemistically called "right-click gone wild" and the general premise that appropriation of anything on the Internet falls under "fair use" regardless of whether it actually qualifies as fair use under the four-factor test also contributes to this pernicious problem for visual journalists. And while legitimate fair use is something that journalists support and sometimes rely on, a series of court decisions have distorted the boundaries of fair use in a way that has betrayed the long-established four-factor analysis and emboldened many infringers. Notions of transformative use, which—among the several factors taken into account—may lean toward a finding of fair use if work is used for a sufficiently distinct purpose, have been misapplied and allowed to dominate fair use determinations in a number of recent cases, some involving photographs.

There has always been tension between the exclusive rights granted by copyright law¹ to an author of a creative work and those who believe they have a concomitant right to use such work as "fair use."² Compounding this historically vexing issue is a concern over the use of copyrighted works where the author cannot be determined or found, otherwise known as an "orphan work." Nowhere are these conundrums more profound than in the use and misappropriation of photographs.

The exponential proliferation of visual images on the Internet has only exacerbated this confusing situation. According to reports, 20 million photographs are viewed on the Internet every minute.³ Compounding that mind-boggling number is the very prevalent, though inaccurate, belief that if a photograph is posted on the Internet it is there for the taking and any such use is "fair" in the colloquial sense, and therefore must also qualify as "fair use" in the legal sense.

As stated by the U.S. Copyright Office (the Office), "the distinction between what is fair use and what is infringement in a particular case will not always be clear or easily defined. There

¹ 17 USC §106 <u>http://www.copyright.gov/title17/92chap1.html#106</u>.

² 17 USC§107 <u>http://www.copyright.gov/title17/92chap1.html#107</u>.

³ See: <u>http://www.dailymail.co.uk/sciencetech/article-2295703/What-happens-Internet-minute-6m-Facebook-pages-viewed-1-3m-YouTube-clips-downloaded-.html</u>

is no specific number of words, lines, or notes that may safely be taken without permission."⁴ What makes photographs so unique is that rarely are they used except in their entirety.

For visual journalists and other creators, copyright is not just about receiving compensation for use but, in conjunction with the First Amendment. protects a creator from compelled speech and the right to *not* publish. Copyright also protects against work being used in unapproved or unintended ways. Subjects depicted in a photograph may have only consented to being photographed for certain purposes. The photographer may have moral objections to an image being used in a certain way or by certain groups.⁵

One online publication asserted that "transformativeness"⁶ alone should be used as a metric for determining fair use rather than the four factors articulated in the statute, despite the fact that transformativeness is only one piece of one of the four factors enumerated by Congress. (those factors being: the purpose and character of the use, including whether such use is of 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; and the effect of the use upon the potential market for, or value of, the copyrighted work. But no single factor is determinative. "All are to be explored, and the results weighed together, in light of the purpose of copyright."⁷)

Others assert that one way to bolster a fair use defense is by a good faith showing and providing "credit or attribution, where possible, to the owners of the material being used."⁸

⁴ See: <u>http://www.copyright.gov/fls/fl102.html</u>.

⁵ See: Alicia Calzada, A strong example of why copyright matters, NATIONAL PRESS PHOTOGRAPHERS ASSOCIATION, July 13, 2012, available at <u>http://blogs.nppa.org/advocacy/2012/07/13/a-strong-example-of-why-copyright-matters/</u>; see also SILBEY, CONTROL OVER CONTEMPORARY PHOTOGRAPHY, 42 COLUM. J.L. & ARTS 351 (2019). ⁶ See: <u>http://www.centerforsocialmedia.org/fair-use/related-materials/codes/code-best-practices-fair-use-online-video</u>

⁷ *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 578 (1994).

⁸ Id.

Unfortunately such advice runs diametrically opposite of the law and the statement by the Copyright Office that "acknowledging the source of the copyrighted material does not substitute for obtaining permission."⁹ This kind of inaccurate information has the double consequence of misinforming the public while attempting to shift the law by providing interpretations of the law that do not in any way reflect the intent of Congress (see Sen. Tillis letter to American Law Institute regarding Restatement of Copyright Law¹⁰).

Many believe it is very dangerous to advocate oversimplified answers to a *very complicated* body of law. Most believe that fair use is not a set of rights but rather a defense that must be affirmatively asserted to a copyright infringement claim once that case is commenced. It is then up to a court to decide using the four-factor test. Surprisingly, the infamous misappropriationist Richard Prince's attorneys may have said it best in their Brief in Opposition to a grant of Certiorari regarding the Supreme Court's "repeated and well-reasoned rule of law that *no bright-line rules exist* in the fair use analysis."¹¹

For example, in *Otto v. Hearst*,¹² the defendant claimed that their unauthorized use of a work was protected by fair use because it involved reporting. The court appropriately and resoundingly rejected that notion, holding that "It would be antithetical to the purposes of copyright protection to allow media companies to steal personal images and benefit from the fair use defense by simply inserting the photo in an article which only recites factual information— much of which can be gleaned from the photograph itself. If so, amateur photographers would be discouraged from creating works and there would be no incentive for publishers to create their

⁹ See: <u>http://www.copyright.gov/fls/fl102.html</u>.

¹⁰ See: <u>https://presspage-production-content.s3.amazonaws.com/uploads/1508/12.3ltrrerestatementofcopyrights-804250.pdf?10000</u>.

¹¹ *Cariou v. Prince*, Brief in Opposition to Petition for a Writ of Certiorari, at 2 <u>https://www.ipintelligencereport.com/wp-content/uploads/sites/11/2013/11/Princes-opposition-to-petition-for-certiorari.pdf</u>.

¹² Otto v. Hearst Comme'ns, Inc., 1:17-cv-04712-GHW (S.D.N.Y. Jan. 23, 2020)

own content to illustrate articles: why pay to create or license photographs if all personal images posted on social media are free grist for use by media companies, as Hearst argues here?¹³ The court continued, "Though news reporting is a widely-recognized ground for finding fair use under the Copyright Act, the use of an image solely to illustrate the content of that image, in a commercial capacity, has yet to be found as fair use in this District."¹⁴ When a work like the image at issue in *Otto* is widely disseminated, that "indicates that there was indeed a market for it," thus obliterating what is widely considered to be the most important of the four fair use factors. Yet a media company with a team of in-house attorneys, that is also an ISP in some circumstances, argued that the unauthorized use was not an infringing use. And although the court was right on fair use, after going to trial in federal court, the award to the photographer was a mere \$750.

In *Brammer v. Violent Hues*,¹⁵ the district court itself made an erroneous analysis of not one, but all four fair use factors and held that it was fair use when a music festival used a stock photo without permission, to illustrate the website promoting its event. On appeal, the Fourth Circuit overturned, holding that the defendant was "a commercial enterprise, and a commercial market exists for stock imagery, [and] its failure to pay the customary fee was exploitative and weighs against fair use."¹⁶ The Fourth Circuit also rejected as erroneous the lower court's assessment that "good faith" was an element that could be weighed in favor of the infringer, when "all contemporary photographs are presumptively under copyright."¹⁷ The Fourth Circuit went on to overturn each of the erroneous holdings on the fair use factors, concluding, "[t]he fair use affirmative defense exists to advance copyright's purpose of 'promoting the Progress of Science

¹³ *Otto*, at 15.

¹⁴ *Id.* at 16.

¹⁵ 922 F.3d 255 (4th Cir. 2019).

¹⁶ *Brammer* at 12.

¹⁷ *Id*. at 14.

and useful Arts.' The defense does so by allowing 'others to build freely upon the ideas and information conveyed by a work.' **But fair use is not designed to protect lazy appropriators**."¹⁸

In *Associated Press v Meltwater*,¹⁹ the defendant asserted the affirmative defense of transformative fair use in their appropriation of copyright-protected material from the plaintiff for a "new purpose." Despite the court's assumption for purposes of its opinion that Internet search engines are a transformative use of copyrighted work, it still held that Meltwater engaged in copyright infringement and that its copying was "not protected by the fair use doctrine."²⁰ In rendering its opinion the court found that the purpose and character of the use was not transformative (because there was no commentary or transformation of work in any meaningful way) and distinguished Meltwater News service from Google News as not so much a search engine, but an expensive subscription service marketed as a news clipping service. The court also found that Meltwater copied too much of the AP articles both quantitatively and qualitatively. Finally, the court found that Meltwater's use of the works detrimentally affected the potential market and value of AP's articles. We believe this was the correct result, but an ISP that does not know any better might side with Meltwater.

To paraphrase U.S. District Judge Denise L. Cote's ruling in *Meltwater* – A defendant misappropriates a photograph in its entirety in order to make money directly from the undiluted use of the copyrighted material; where this use is a central feature of its business model and not an incidental consequence of the use to which it puts the copyrighted material. Photographing newsworthy events occurring around the globe is an expensive and dangerous undertaking and enforcement of copyright laws permits the photographer to earn the revenue that underwrites that

¹⁸ *Id.* at 5 (internal quotes omitted; emphasis added).

¹⁹ Associated Press v Meltwater, 931 F. Supp. 2d 537 (S.D.N.Y. 2013).

²⁰ *Id.* at 541.

work. Permitting a defendant to take the fruit of the photographer's labor for its own profit, without compensating the photographer, injures the photographer's ability to perform this essential function of democracy.

Rather than advising users about a potential fair use safe harbor, many suggest following the golden rule of "do unto others" by first seeking permission, offering to provide credit and expecting to pay when using photographs on the web. It will make a rather complicated legal issue much simpler and less costly in the long run.

Fair use is meant to protect those who stand on the shoulders of others when creating new works. It is not meant to allow massive industries to build their wealth on the uncompensated backs of small businesses and creative professionals, such as photographers, whose works are infringed with impunity hundreds, if not thousands of, times a day both intentionally and inadvertently. To say "it's complicated is an understatement but for creators of visual works this issue must be properly addressed. Anything less turns copyright law on its head and makes it a right without a remedy.

Other copyright cases of note

<u>VHT v Zillow</u> (Ninth Circuit);

Hunley v Instagram (Ninth Circuit); <u>Petition for en banc rehearing</u>; <u>Amicus brief</u> in support of appellants petition.

Vogts v. Penske Media Corporation et al. (U.S. District Court Central District of California)

<u>US Copyright Office Copyright Claim Board (CCB)</u>

In December 2020, Congress passed the <u>Copyright Alternative in Small-Claims</u> <u>Enforcement Act of 2020 (CASE Act)</u>, which directed the Copyright Office to establish the Copyright Claims Board (CCB). The CCB is a three-member tribunal within the Office that provides an efficient and user-friendly option to resolve certain copyright disputes that involve up

to \$30,000 (called "small claims"). Read more about what the CCB is and why you might want to

participate in a CCB proceeding at <u>ccb.gov</u>. Also see <u>2022 annual report</u>.

Artificial Intelligence (AI)

The conference will be dealing with AI but some of these articles may be helpful:

<u>Thaler v Perlmutter</u> (U.S. District Court for the District of Columbia)

Getty Images (US), Inc. v Stability IA, Inc. (U.S. District Court for the District of Delaware)

Opinion | Newsroom AI guidelines 'lack teeth,' study finds <u>https://www.poynter.org/commentary/2023/artificial-intelligence-standards-journalists/</u>

Opinion – You hate AI for all the right reasons. Now reconsider. <u>https://www.washingtonpost.com/opinions/2023/09/10/ai-future-power-imperfection-technology/</u>

Google's Lookout App Adds Detailed, AI-Powered Image Descriptions <u>https://www.cnet.com/tech/mobile/googles-lookout-app-adds-detailed-ai-powered-image-descriptions/</u>

Potential Supreme Court clash looms over copyright issues in generative AI training data <u>https://venturebeat.com/ai/potential-supreme-court-clash-looms-over-copyright-issues-in-generative-ai-training-data/</u>

Schumer Framework May Forge US Model On AI Governance https://www.law360.com/articles/1715225/schumer-framework-may-forge-us-model-on-aigovernance

All 50 State AGs Urge Congress To Help Protect Kids From AI https://www.law360.com/articles/1718277/all-50-state-ags-urge-congress-to-help-protect-kidsfrom-ai

Canon & Reuters team up in developing cryptographic methods to authenticate photographs <u>https://www.canonrumors.com/canon-reuters-team-up-in-developing-cryptographic-methods-to-authenticate-photographs/</u>

ACTION ITEM re: OUTRAGEOUS makeup of the US Senate's AI Insight Committee! - CALL SEN. SCHUMER!!! <u>https://www.change.org/p/artists-creatives-must-be-included-in-white-house-discussions-on-generative-a-i/u/31868112?cs_tk=ApV3qiWte6cKTqw7-WQAAXicyyvNyQEABF8BvCQ3bvatSCUh1bjC3N-Pidw%3D&fbclid=IwAR2LwzyDkWHYREk4W7YIUZGvC9W-</u>

<u>7Lql95gEnuj8eEXRlDy_3yuWAoCImnU_aem_AQ0wVu3oXH8UaG2o4SwSaO5eCaUHYQ_r</u> <u>UDzQbb8hYm6DEorEd41kVqIZ1xdLBcrV1vk</u>

Gannett to pause AI experiment after botched high school sports articles <u>https://www.cnn.com/2023/08/30/tech/gannett-ai-experiment-paused/index.html</u>

Newsrooms grapple with rules for AI https://www.axios.com/2023/08/22/ai-rules-newsrooms-training-data

Artists complain of AI 'copyright infringement' on Adobe Stock <u>https://www.creativebloq.com/news/adobe-copyright-ai</u>

Accelerated Innovation: In Less Than a Year, We've Seen a Decade's Worth of AI and IP Developments

https://ipwatchdog.com/2023/08/13/accelerated-innovation-less-year-weve-seen-decades-worthai-ip-developments/id=164842/

OpenAI, the parent company to ChatGPT, will fund a new journalism ethics initiative at New York University's Arthur L. Carter Journalism Institute with a \$395,000 grant, executives told Axios.

https://www.axios.com/2023/08/08/openai-journalism-ethics-nyu

See this link for various issues that the U.S. Copyright office is addressing regarding AI: <u>https://search.copyright.gov/search?affiliate=copyright&sort_by=&query=Artificial+intelligence</u>

Ensuring Safe, Secure, and Trustworthy AI": What those seven companies avoided committing to <u>https://medium.com/@emilymenonbender/ensuring-safe-secure-and-trustworthy-ai-what-those-seven-companies-avoided-committing-to-8c297f9d71a</u>

Pressured by Biden, A.I. Companies Agree to Guardrails on New Tools <u>https://www.nytimes.com/2023/07/21/us/politics/ai-regulation-biden.html?smid=nytcore-ios-share&referringSource=articleShare</u>

Meta and Microsoft join AI standards group on "synthetic media" <u>https://www.axios.com/2023/06/14/meta-microsoft-ai-standards-synthetic-media</u>

An A.I.-Generated Spoof Rattles the Markets <u>https://www.nytimes.com/2023/05/23/business/ai-picture-stock-market.html</u>

Irish Times apologises for hoax AI article about women's use of fake tan <u>https://www.theguardian.com/media/2023/may/14/irish-times-apologises-for-hoax-ai-article-about-womens-use-of-fake-tan</u> Unpicking the rules shaping generative AI <u>https://techcrunch.com/2023/04/13/generative-ai-gdpr-enforcement/</u>

Europe moves ahead on AI regulation, challenging tech giants' power

: <u>E.U. Parliament approves landmark AI Act, challenging tech giants' power - The Washington</u> <u>Post</u>

Top tech firms sign White House pledge to identify AI-generated images https://www.washingtonpost.com/technology/2023/07/21/ai-white-house-pledge-openai-googlemeta/?utm_source=alert&utm_medium=email&utm_campaign=wp_news_alert_revere&location =alert

OpenAI, the parent company to ChatGPT, will fund a new journalism ethics initiative at New York University's Arthur L. Carter Journalism Institute with a \$395,000 grant, executives told Axios.https://www.axios.com/2023/08/08/openai-journalism-ethics-nyu

9-minute minidocumentary that was made for Rolling Stone's "The DJ and the War Crimes," (<u>https://investigation.rollingstone.com/dj-photo-war-crimes-bosnia/</u>) but it seems especially timely now. At the 6:22 mark, Ron Haviv talks about how his image was manipulated and it delves into some of Starling lab's (<u>https://www.starlinglab.org/</u>) work on authenticating his images. <u>https://www.youtube.com/watch?v=4UWieqM_s_Y</u>

https://www.politico.com/minutes/congress/06-6-2023/ai-briefings/

The Senate will hold three bipartisan, senators-only briefings on artificial intelligence — an effort to help the upper chamber keep pace with rapidly developing technology.

The briefings will include one classified session.

What's happening: The Senate will host three bipartisan, senators-only briefings on artificial intelligence in the coming weeks — including one first-ever classified briefing on the matter, as Congress looks to address the rapidly growing technology.

Details: In a <u>Dear Colleague letter</u> sent by Majority Leader Chuck Schumer, and joined by Sens. Mike Rounds (R-S.D.), Martin Heinrich (D-N.M.) and Todd Young (R-Ind.), the Senate will convene three briefings on AI, with each session focusing on one of three separate, big picture questions.

The first, entitled "Where is AI today?", will provide an overview of the current state of artificial intelligence and what it's currently capable of. **The second** will look into the future of AI and focus on how the technology is developing today, and how it could develop over the next 10 years. **The third** will be a classified briefing, and explore how national security departments and agencies are utilizing AI and what the U.S. knows about their adversaries' AI capabilities. Advertisement

A key quote:

"The Senate must deepen our expertise in this pressing topic. AI is already changing our world, and experts have repeatedly told us that it will have a profound impact on everything from our national security to our classrooms to our workforce, including potentially significant job displacement."

Further information on dates, times and speakers at the events was not included in the letter. **Significance:** Schumer indicated in April that he would be <u>launching an effort</u> to try and regulate the emerging technology, and has been circulating a framework that outlines new regulatory guardrails, along with engaging leading artificial intelligence experts to help inform the proposal. But legislative text still has yet to be seen — and once it does drop, it will mark a notable step

forward for an institution that has historically struggled to keep pace with rapid changes in technology.

Copyright Office <u>notice of inquiry and request for comments</u> in the Federal Register for its *Artificial Intelligence and Copyright* study. The notice consists of 34 questions (some of which have multiple sub-questions), divided into categories that include training, transparency & record keeping, copyrightability of outputs, infringement, and labeling or identification.

Written comments are due no later than 11:59 p.m. ET on Wednesday, October 18, 2023. Written reply comments are due no later than 11:59 p.m. ET on Wednesday, November 15, 2023. No word on any more listening sessions or roundtables. We will be in touch soon with more info and to schedule meetings to discuss our comments.

Linking and Embedding Photographs

By Jean-Paul Jassy

Courts are divided as to whether and when a photograph that appears on a website or social media application without the copyright owner's permission violates the owner's exclusive display right. Some courts hold that linking or embedding a photograph does not violate the display right if the displayed image is hosted on a server owned or operated by an unrelated third party. Other courts hold that this "server test" is not rooted in the Copyright Act, and, even if an image is hosted on an unrelated server, that does not provide a shield from liability for an alleged violation of the display right.

The seminal "server test" case is *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146 (9th Cir. 2007). In pertinent part, the Ninth Circuit considered a claim of direct infringement of the display right against Google based on image search results where full size images would appear, but the images were stored on third-party servers and accessed by in-line linking, which, like embedding, is based on HTML code instructions behind the scenes to users.

In 2012, the Seventh Circuit held that a "social bookmarker," which enabled users with shared interests to point each other toward online materials through embedded code where the materials remained hosted on the original servers, would not be held liable for contributory

copyright infringement. *Flava Works, Inc. v. Gunter*, 689 F.3d 754 (7th Cir. 2012). A few other district courts applied the server test in other contexts, but a significant development occurred in 2018.

In *Goldman v. Breitbart News Network, LLC*, 302 F. Supp. 3d 585 (S.D.N.Y. 2018), the district court declined to apply the Ninth Circuit's server test. The case involved a candid photograph of a football player that was uploaded by the copyright owner to the social media site Snapchat, then it went "viral" and was uploaded by various users to other platforms, including Twitter, and was ultimately used by defendants in various news stories, which embedded the photo (including the necessary embed code in HTML instructions) but did not host it on their servers. The Court reviewed and rejected application of the server test, holding that the Copyright Act and its legislative history did not provide for a "rule that allows the physical location or possession of an image to determine who may or may not have 'displayed' a work[.]" *Id.* at 593.

Many considered the server test to be settled law, and the *Goldman* decision altered that perception. Following *Goldman*, a federal court in California – *i.e.*, within the Ninth Circuit, which decided *Perfect 10* – cited *Goldman* and expressed skepticism that the server test applies outside the search engine context. *Free Speech Systems, LLC v. Menzel*, 390 F. Supp. 3d 1162, 1172 (N.D. Cal. 2019) (without ruling on the issue, but noting that the alleged infringer "has not provided *any* case within the Ninth Circuit applying the server test outside of the search engine context or in the context [of the case at issue], the wholesale posting of copyrighted material on a news site"; emphasis in original).

Another turn came with the decision in *Sinclair v. Ziff Davis, LLC*, --- F. Supp. 3d ---, Case No. 18-CV-790 (KMW), 2020 WL 1847841 (S.D.N.Y. Apr. 13, 2020). In *Sinclair*, the

plaintiff, a professional photographer, sued Mashable, Inc. and its parent company Ziff Davis, LLC for copyright infringement, alleging that the defendants infringed her copyright by embedding one of her photographs on the Mashable website as part of a news article. The court granted defendants' motion to dismiss, holding that Mashable used plaintiff's photograph pursuant to a valid sublicense from social media site Instagram, where plaintiff originally posted the photo at issue. The embedded photo was hosted on Instagram's server. The court explained that Instagram's policies allow users, such as Mashable, to use an "application programming interface" or "API" to embed photos previously posted on a public Instagram account. The court held that the plaintiff granted Instagram the right to sublicense the photograph at issue, and Instagram validly exercised that right by granting Mashable a sublicense to display the photograph. Id. at *2. The court held that, because Instagram granted Mashable a valid license to display the photograph, it "need not reach the question, addressed in *Goldman* but unsettled in this Circuit, of whether embedding an image constitutes 'display' that is capable of infringing a copyright in the image." Id. at *4 n. 3. On reconsideration, however, the court denied Mashable's motion to dismiss, holding that "the pleadings contain insufficient evidence that Instagram exercised its right to grant a sublicense to Mashable ... In reaching this conclusion, the Court did not give full force to the requirement that a license must convey the licensor's 'explicit consent' to use a copyrighted work." Sinclair v. Ziff Davis, LLC, 2020 WL 3450136 (S.D.N.Y. June 24, 2020) (citing Ward v. Nat'l Geographic Soc., 208 F. Supp. 2d 429, 442-443 (S.D.N.Y. 2002)). The court explained that Instagram's policies "could be interpreted to grant API users" the right to use the API to embed the public content of other Instagram users," but the policy was not sufficiently clear to support a motion to dismiss. Id. at *1.

In another recent case involving the use of images posted on Instagram, a photographer is suing Volvo, accusing them of <u>"willful and wanton" copyright infringement</u>. In response, Volvo is seeking to have the matter dismissed, arguing that the uses were non-infringing by virtue of social media platforms' licenses. See <u>Schroeder v. Volvo Group of North America</u>, 2:20-cv-05127-VAP-PVC (C.D. Cal. 2020).

Statute of Limitations and Discovery Rule

By Jean-Paul Jassy

Copyright claims have a three-year statute of limitations, 17 U.S.C. § 507(b), and a copyright claim accrues when an infringing act occurs. *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663, 670 (2004). In *Petrella*, the Supreme Court noted that "nine Courts of Appeals have adopted, as an alternative to the incident of injury rule, a 'discovery rule,' which starts the limitations period when the plaintiff discovers, or with due diligence should have discovered, the injury that forms the basis for the claim." *Id.* at 670 n. 4 (internal quotation marks and citation omitted). Photographers are invoking the discovery rule to allege that infringements that occurred more than three years prior actually accrued later – *i.e.*, when the plaintiff "discovers" the alleged infringement. This approach is coming with mixed results, at least at the pleadings stage.

In *Minden Pictures, Inc. v. Buzzfeed Inc.*, 390 F. Supp. 3d 461, 467 (S.D.N.Y. 2019), the court granted a motion to dismiss, holding that the discovery rule could not be applied to a photographer's copyright infringement claim where a "reasonable copyright holder in [the plaintiff's] position ... should have discovered, with the exercise of due diligence, that its copyright was being infringed within the statutory time period." *But cf. Hirsch v. Reis Galleries, Inc.*, Case No. 18-CV-11864 (VSB), 2020 WL 917213 (Feb. 26, 2020), at *5 (denying motion to

dismiss photographer's copyright infringement claims over famous photograph on statute of limitations grounds, citing the discovery rule).

A pair of cases in California involving the same plaintiff came to the same conclusion as the court in *Minden Pictures*. In *Michael Grecco Prods., Inc. v. Ziff Davis, LLC*, Case No. CV 19-4776 DSF (PJWx), 2019 WL 9467923 (Nov. 18, 2019), and *Michael Grecco Prods., Inc. v. BDG Media Inc.*, Case No. CV 19-04716-AB (KSx), 2020 WL 3957565 (Feb. 26, 2020), the court granted Rule 12(b)(6) motions on statute of limitations grounds, dismissing with prejudice copyright infringement claims and rejecting the plaintiff's assertion of the "discovery rule." In both cases, plaintiff's allegations boiled down to the same basic contentions: the plaintiff has a lot of photos, and the internet is big and therefore not easy to search. In both cases, the court rejected such general allegations, particularly as they did not explain the failure to find the photos at issue sooner. The court noted that the plaintiff was sophisticated, the infringements appeared on heavily trafficked websites and that reverse-image search technology was available.

In *Werner v. BN Media, LLC*, Case No. 2:19cv610 (E.D. Va. Aug. 7, 2020), the court came to a different conclusion, holding that a photographer plaintiff had adequately invoked the discovery rule on a motion to dismiss by alleging that, despite the availability of reverse-image search technology, it was difficult to search for and discover infringements and his claim should not be barred by the statute of limitations.

The case of *Monsarrat v. Zaiger*, 303 F.Supp.3d 164 (D. Mass. 2018), offers another scenario to consider. In *Monsarrat*, the court denied a motion to reconsider dismissal where a photographer plaintiff filed an untimely copyright infringement action because, the plaintiff alleged, he could not identify the defendant. The court made clear that, under the discovery rule,

the statute of limitations begins to run when the plaintiff has reason to know about the allegedly infringing *conduct*, not the identity of the infringer.