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**Before the Committee on the Judiciary
Subcommittee on Courts, Intellectual Property, and the Internet**

Notice and Takedown Provisions under the DMCA, § 512

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Chairman Goodlatte, Chairman Coble, Ranking Member Nadler, Members of the Subcommittee, thank you for the opportunity to testify today about the current state of notice and takedown provisions under the DMCA.

I am a law professor at the [University of Washington](#) in Seattle and the Founding Director of its [Entrepreneurial Law Clinic](#). We deliver a full range of corporate, IP, and tax services, focusing on business planning and transactions, to start-ups, artists, and nonprofits. I have also served as Director of UW Law School's Law, Technology & Arts Group and its Law, Business & Entrepreneurship Program. I currently also serve on the Academic Advisory Board of the [Copyright Alliance](#). Before academia, I was a full time attorney at major law firms in New York and Boston. I have continued an active private legal practice, with current social media clients such as [Kolidr](#), and was General Counsel to [Rhizome.org](#), a nonprofit arts organization for the digital and net art community. Before law school I was a professional musician and songwriter for 12 years, receiving airplay on college and commercial stations in the Northeast. Because of my multiple affiliations, it is especially important to state that my views here are my own and do not necessarily represent the views of any of the organizations I am or have been affiliated with.

Introduction

The current litigation over the *Innocence of Muslims* video provides a timeliness to the hearing today, as the dispute started with a takedown notice from the actress, Cindy Garcia, to YouTube demanding that it remove the infamous video from its site.¹ Putting aside the more complicated issues in that case, one of the defenses offered by Google (the owner of YouTube) was quite telling. Google asserted that taking down the video from YouTube would provide little relief to Ms. Garcia because it was so widely available on the Internet. Whatever the practical truth of this contention, Google's claim that relief from infringing online content is essentially impossible reflects a common, disturbing narrative that we live in a post-copyright world where everything is available everywhere and there is nothing we can really do about it.

This attitude is both a cause and a result of the main failure of the notice and takedown system that I want to address today: the relentless reposting of blatantly infringing material. This is not material that the poster believes he has rights to, either by

¹ *Cindy Lee Garcia v. Google, Inc.*, Slip. Op. No. 12-57302 (9th Cir., Feb. 26, 2014).

ownership, license, or transformative fair use. It is simply posted as an end run around copyright law for fun or profit. This end run is largely made possible by notice and takedown and the safe harbor for online service providers.

1. The Notice and Takedown system is not working for artists, copyright owners, or companies in the innovation and creative industries

The current notice and takedown system under § 512 of the Digital Millennium Copyright Act² is not working for any of its intended beneficiaries: artists, copyright owners, or online service providers. For artists and copyright owners, the time-honored analogy of a whack-a-mole game sums up the situation. No sooner does an artist or owner get an infringing copy of their work taken down than other copies get reposted to the same site as well as other sites. It would be one thing if these were copies that at least purported to be transformative. And there are some of those. But holding them to the side, for many artists and owners the majority of postings are simply straight-on non-transformative copies seeking to evade copyright.³ This is the flagrant infringement facilitated by mirror sites and endless links. To give a sense of the scope, a recent report showed that mainstream copyright owners send takedown notices for more than 6.5 million infringing files to over 30,000 sites each month.⁴

If this infringement were restricted to “pirate” sites and others who are positioning themselves outside the legal system anyway, then this would be a different concern. That is a problem of combatting piracy and not specifically a problem with notice and takedown. But many of the infringing posts I refer to are on legitimate online service provider websites. These sites at least nominally claim to want to be in compliance. And many of them are truly sincere in this. I have counseled web start-ups that very much want to do the right thing. But there are challenges presented by notice and takedown that make this difficult.

Entrepreneurs starting web businesses that allow user generated content are generally told two things by attorneys: i) put strong terms of service agreements and the § 512

² 17 U.S.C. § 512.

³ For example, one can find the original recording of pretty much any popular commercially released music title posted to SoundCloud (www.soundcloud.com). This is not SoundCloud’s doing or fault necessarily. SoundCloud is a legitimate and useful service for musicians looking to post their own material.

⁴ See Bruce Boyden, *The Failure of the DMCA Notice and Takedown System: A Twentieth Century Solution to a Twenty-First Century Problem* (Center for the Protection of Intellectual Property, George Mason Univ. School of Law, Dec. 2013), at <http://cpip.gmu.edu/wp-content/uploads/2013/08/Bruce-Boyden-The-Failure-of-the-DMCA-Notice-and-Takedown-System1.pdf> (citing *Transparency Report: Copyright Owners*, GOOGLE (Sept. 8, 2013) <http://www.google.com/transparencyreport/removals/copyright/owners/?r=last-month>). The Report also notes that printing out the list of sites for which Google received takedown notices in just one week ran to 393 pages. Further, for the six-month period ending last August, member companies of the Motion Picture Association of America sent takedown notices for nearly 12 million files to search engines, and over 13 million directly to site operators.

copyright information page on your site,⁵ and ii) do not monitor content.⁶ Those who know the details of § 512 may find the second piece of advice curious. There is nothing in the law that prevents a service provider from monitoring content for copyright infringement. Further, doing so will not push the service provider outside the crucial safe harbor provided for in § 512. But the start-up IP lawyer’s perspective is that there is no upside, and some serious potential downside, for the service provider to monitor content. Because the service provider is shielded from infringement liability regardless of whether it monitors, then there are only costs associated with monitoring and no extra benefits. But even worse, given the “red flag” provisions under § 512(c)(1)(A), any service provider who monitors may well have actual knowledge of infringement or an awareness of facts or circumstances from which infringing activity is apparent. When this occurs (and this may be hard to determine), the service provider must expeditiously remove or disable access to the relevant infringing material, or else lose the safe harbor. Monitoring content is a pretty sure way to get actual knowledge or awareness of facts and circumstances. And then the service provider must act, even without having received a takedown notice, to preserve the safe harbor. Thus, the advice is “don’t monitor,” and don’t even look.⁷

At the same time, websites that want to do the right thing fear the “chump” factor. If everyone else is playing fast and loose with copyright—and making money or getting attention for doing so—why should they walk the straight and narrow path (losing eyeballs and money along the way)? Further, in an environment glamorizing “piracy” and adhering to the updated credo “*everything* wants to be free,”⁸ then the copyright compliant website might look decidedly uncool.

Related to this, because copyright infringement is so rampant, and so many websites are facilitating it, entrepreneurs question their attorneys’ credibility on the law. I cannot tell you how many times a web entrepreneur has asked me and other internet attorneys I know “are you sure about that?” The follow-up to our affirmative answer on the point of copyright law is “but [famous company *x*] is doing it; *their* lawyers must think it is OK.” I am now old enough to remember this line of questioning from my start-up clients when “famous company *x*” was Napster, and then Grokster. And we all know how that ended.

Equally important is that web businesses want to focus on business, not mediating notice and counter notices. Many entrepreneurs are shocked when I put together the basic

⁵ And set up your registered agent with the Copyright Office. Privacy policies are recommended too, although this gets more complicated as to form and content.

⁶ The exception is for offensive or obscene material (unless of course that is the point of the site).

⁷ This is similar to a certain strain of advice from patent attorneys for patent applicants who want to do a “prior art” search to see what is out there that might affect the patentability of their invention. Because of the duty of candor to the U.S. Patent and Trademark Office (USPTO) for patentees and their patent agents/attorneys, the applicant must disclose to the USPTO any relevant prior art that it is aware of. But it is under no duty to undertake a prior art search. Thus, for some patent agents/attorneys, the less they and their clients know about the prior art, the better. There is no upside for disclosing, while there is significant downside risk that the very thing you disclose will be the art the examiner rejects your application on. The attitude is “let the examiner do the prior art search.”

⁸ This is of course a play on the “information wants to be free” ethic.

legal documents they need for their site. In particular, they chafe at the formality of the “DMCA copyright page” as we call it. They are also concerned about the flood of notices that will likely come their way if they host user generated content, and the requirement to register an agent with the Copyright Office. The natural response is to want to monitor the site, but this brings its own costs and downsides as mentioned earlier.

Accordingly, no one seems to be happy with notice and takedown. Service providers are certainly thankful for the safe harbor. But the burden it creates on them is significant, especially for small to medium service providers that cannot afford a compliance staff. At the same time, artists, content owners, and others in the creative industries are burdened with the seemingly impossible task of protecting their lifeblood works through endless takedown notices. Most problematic is the unintended consequences: the current state of safe harbors may be contributing to the free-for-all attitude among service providers as there is little downside for turning a blind eye and a lot of upside.

2. Original purpose of the Safe Harbors versus current online service provider protections

For context and potential solutions, it is important to recall where this all started. The safe harbors were carefully negotiated compromises among different interest groups solving specific Internet issues of the 1990s. But, as Bruce Boyden notes, that makes them a “twentieth century solution to a twenty-first century problem.”⁹ In particular, there were two kinds of internet service providers that sought a safe harbor: telecommunications companies that provided access to the Internet, and websites that “distributed” content by hosting it on their servers. The former arguably had the stronger claim to a safe harbor. Both are discussed in the following sections.

A. The common carrier doctrine and Internet open access

In the earliest days of public access to the Internet, users’ access was somewhat limited. I remember having my first email and Internet access as a grad student in the early 1990s, which was a typical starting point for Internet users in those days. Those affiliated with universities, the military or government, and some large businesses, had reasonably easy (and free or low cost) access. Others had to find relatively obscure Internet service providers. Users were few, and the online community was small.

As commercial providers such as America Online became more widespread, however, there was a question of who they would, and should, accept as customers. The government started calling for open access (similar to requirements for access in the earlier telecommunications revolution of widespread telephone service). Indeed, open access to any paying member of the public seemed ideal for both business and the growth of the Internet. However, service providers balked at one implication of open access: If they could not choose their subscribers, they had limited avenues for ensuring good behavior online, and thus feared liability for that bad behavior.

⁹ Boyden, *supra* Note 4.

The solution to this concern was an update on the common carrier doctrine that had served reasonably well in transportation and other regulated industries. If access to a carrier must be open to all, then the carrier should not have liability for the potential bad acts of those granted access. But this was generally held to apply only where the carrier was not directly involved in the activities and instead merely provided the conduit or vehicle.

This concept led to the safe harbors under the DMCA for Internet *access* providers under §§ 512 (a)-(b). These providers would not have material residing on their servers or on websites they hosted. Rather, they provided access to the pipeline through which subscribers would send and receive materials to/from other points on the Internet. Thus, the materials would be transitory through the providers' servers, routers, and networks. The safe harbor for this activity is under § 512 (a). Caching of frequently sent/received materials at nodes could speed up access and functioning of the Internet, and so this kind of temporary storage of materials solely for the caching function also was granted a safe harbor under § 512 (b).

B. Online service providers and content distributors

The common carrier logic did not apply as well to those providing websites hosting other people's content. First, there was no call for these firms or individuals to allow everyone to use their sites. In fact, from the earliest days until now there have been many limited access sites protected by passwords and/or firewalls. Second, the content on these sites was not just passing through on its way from Point A to Point B. It was staying there either directly visible through a browser or downloadable from an FTP directory.

Notwithstanding this, following the discussion of Internet bulletin board services' liability for user's postings in *Religious Technology Center v. Netcom On-Line Communication Services, Inc.*,¹⁰ website operators who allowed users to post and download content argued that they were acting more as content distributors than publishers. Accordingly, even though they were not providing access *to* the Internet, they argued that they were still a kind of conduit *on* the Internet and should likewise enjoy a safe harbor. While this is a less compelling argument, in my opinion, a safe harbor was nonetheless included for service providers who stored content at users' direction and did not participate in decisions to post the content. Given the far lower speeds on Internet connections and smaller capacity of storage on users' computers, there was not much concern that users would be able to routinely post high quality digital images, much less audio or video back then. Therefore, it may have seemed a safer compromise from the artists' and content owners' perspective to allow a safe harbor even for these online service providers who were not performing a critical Internet *access* function. Nonetheless, the common carrier rationale still did not apply, and so there was less of the quid pro quo that justified the safe harbors for access providers.

But the safe harbor for hosted materials was not a free pass to allow flagrant copyright infringement on one's site just because a user had posted it without the

¹⁰ 907 F.Supp. 1361 (N.D. CA 1995).

operator's participation. Instead, part and parcel with the safe harbor was the notice and takedown system so that copyright owners could let website operators know that infringing material had been posted. As the responsible party and ultimate controller of what could reside on the website, the operator was a natural party for such notice. Further, with the incidence of infringing posts assumed to be relatively low, this was not envisioned to be a frequently used procedure.

Today, by contrast, we have a number of tools to post large content files easily, whether we have rights to them or not.¹¹ This has resulted in a mind-boggling array of posts. Within these exist millions of clearly infringing content items. Notice and takedown, as a somewhat time-consuming task are not made for this kind of volume of infringement.¹² But the lesson we should learn from this problem is not that copyright is too expansive or that we should simply roll back notice and takedown to make service providers' jobs easier. Instead, the lesson we should take is that we need to find a way to reduce the amount of infringing posts. We do not live in a post-copyright world, and such a world would not be beneficial to service providers. It is easy to dismiss the importance of someone else's intellectual property, but one's own is a different matter. Innovative Internet start-ups hold intellectual property as core assets just as much as do creative industries firms. Accordingly, a solution to the overwhelmed notice and takedown system is in everyone's interest.

3. Proposed solutions

Radical solutions to the notice and takedown problem could include revisiting the whole safe harbor construct and/or eliminating notice and takedown altogether. However, those could have far-reaching and unintended consequences. Instead, we should focus on solutions that simply return some semblance of sanity to notice and takedown. I propose two solutions.

A. Proposal 1: "Notice and Stay-down"

The highest volume of notices seem to be for reposted works, i.e., ones that have already been taken down on notice, yet reappear within hours often on the same site. Further, many of these do not even purport to be transformative or noninfringing. They are not mash-ups, remixes, covers, etc. They are simply the original work reposted repeatedly by unauthorized persons. That the posters do not seem to believe they have any real rights to the works seems supported by the surprisingly low number of counter notices submitted (relative to the enormous number of takedown notices).

My first proposal has two stages. In the first stage, service providers should establish voluntary best practices to monitor for, and immediately remove, reposted works. We know that Content ID and other systems are reasonably effective at identifying copyright works generally. They could be even more effective when used to identify works that

¹¹ Note that the innovation that made YouTube famous was an easy to use solution to this exact problem. Users could effortlessly post relatively large video files that they could not before.

¹² See Boyden, *supra* Note 4.

have been taken down under notice. The service provider knows what the work is now—because it has taken it down—and so it can add the work to the filter’s catalog. Such a system could then automate a “notice and stay down” regime. This would have benefits for all parties as it would likely result in a dramatic downturn in infringing postings and, concomitantly, in notices sent. The time and money savings for all parties could allow them to focus more on the difficult situations where arguably some transformative use has occurred and fair use might apply.

The second stage would take place if service providers cannot agree to or implement a meaningful private ordering notice and stay-down system. Congress should then consider amending the DMCA to add an affirmative duty for online service providers to monitor for, and remove, reposted works that they had already received notice on. In fact, there is already an analog to this in the DMCA requiring termination of users’ accounts that have been repeat infringers under § 512 (i)(1)(A). In other words, while we might allow more leeway for first time infringers, and first posts of infringing works, repeats should not require repeated notices from copyright owners. In its strongest version, the proposal would also have Congress amend the DMCA so that service providers who do not implement a system to remove reposted works would be taken outside the safe harbor for any reposting of already noticed works.

B. Proposal 2: Reassert or strengthen “red flag” provisions

The “don’t monitor” advice and glamorization of a piracy culture means that many websites are in fact turning a blind eye to extensive infringement on their sites. Courts have grappled with whether the common law concept of “willful blindness” as a kind of constructive knowledge is consistent with, or abrogated by, the DMCA red flag provisions.¹³ The Court of Appeals for the Second Circuit recently found that the DMCA limited, but did not abrogate, the applicability of willful blindness to online service providers.¹⁴ The district court on remand failed to find willful blindness or actual knowledge even where there was an extremely high volume of apparently infringing works on the defendant’s site (YouTube). Other courts have failed to find actual knowledge or awareness of facts and circumstances indicating infringing activity even in situations where significant infringement was occurring.¹⁵

My second proposal, then, is that Congress consider amending the red flag provisions to codify a stronger version of willful blindness than courts are currently using. Willful blindness could be defined to include any institutionalized policy prohibiting monitoring of content or consistent discouraging of employee monitoring or investigation of content posts. Evidence could be internal memos, emails, or other communications establishing a *de facto* “do not look” culture or policy in the case where the service provider’s site has already significant takedown notices.

¹³ See *Viacom Int’l Inc. v. YouTube, Inc.*, 679 F.3d 19 (2d Cir. 2012).

¹⁴ *Id.*

¹⁵ See, e.g., *UMG Recordings, Inc. v. Shelter Capital Partners, LLC*, 667 F.3d 1022 (9th Cir. 2011).

Conclusion

The notice and takedown system is not working for anyone—except possibly those who are posting flagrantly infringing works for their own purposes. Start-up online service providers are hit particularly hard as they cannot afford significant compliance staff. Similarly, independent artists cannot begin to keep up with the volume of takedown notices they would need to send to keep infringing versions of their work off the Internet. Returning to the origins of the DMCA safe harbors reminds us that a major initial justification was the common carrier doctrine: if we wanted open access to the Internet, then we had to immunize access providers from the bad actions of their subscribers. But this perfectly good notion does not stretch to online service providers who are not obligated to give open access to their sites, and at any rate are not providing access to the Internet itself. Accordingly, two solutions were recommended. First, notice and takedown should mean notice and stay-down in which service providers must take steps to limit the flagrant reposting of works already taken down under notice. Second, the red flag provisions should be strengthened by codifying a strong version of the willful blindness doctrine. Together, these solutions should reduce the enormous volume of takedown notices, while strengthening copyright enforcement. This could help reverse the “post-copyright” mentality permeating the innovation industry ecosystem and help artists earn the money they deserve for their works. The value of *both* our innovation and creative industries is too important to allow them to continue in conflict over a system neither of them support (in its current form). We can fix this, and we should.