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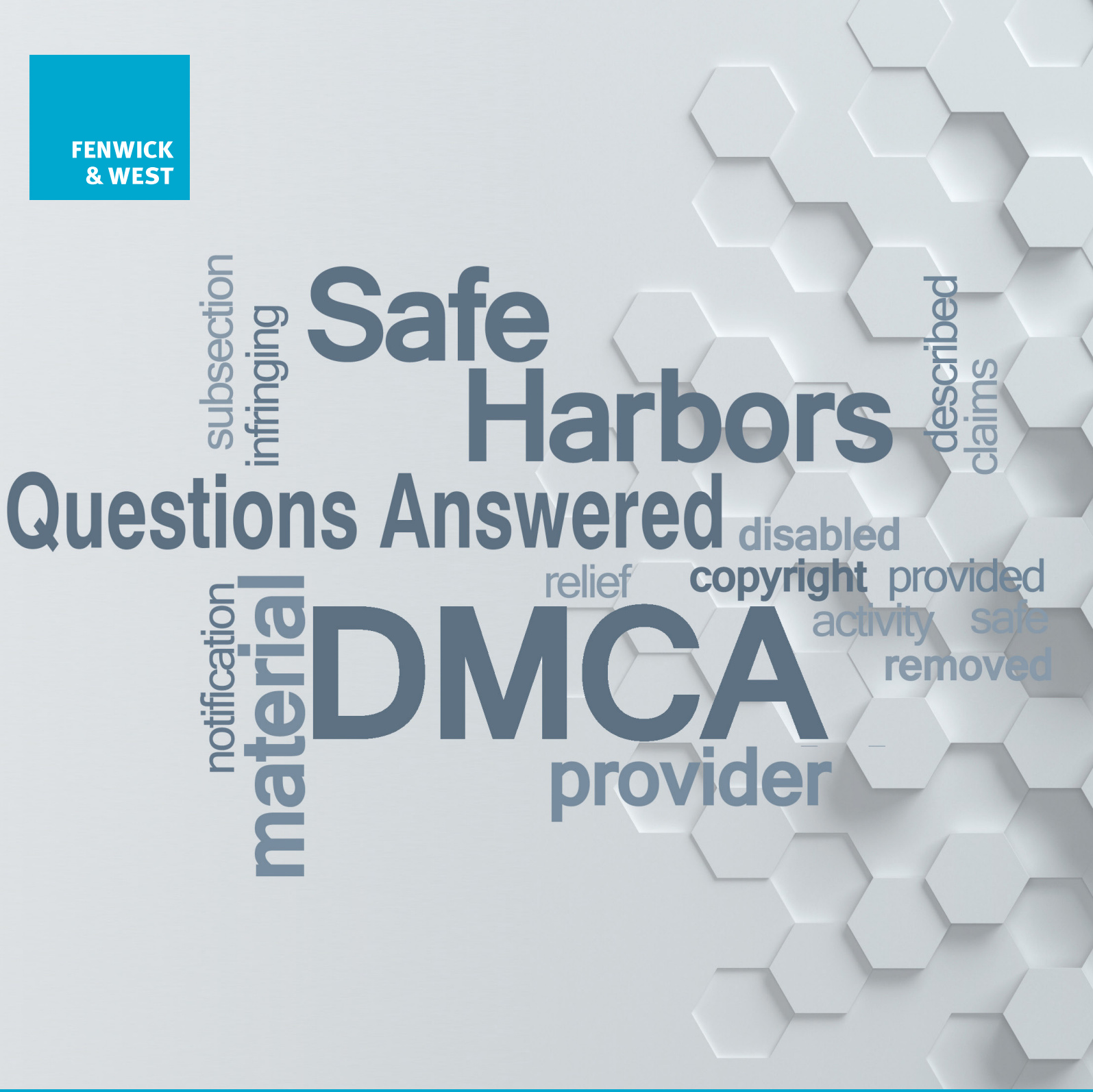

Your DMCA Safe Harbor Questions Answered

Don’t have time to catch an entire program or read an article? Here are the answers you wanted to find anyway.

By Mitchell Zimmerman

Your DMCA Safe Harbor Questions Answered

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Do you need the answer right now to one particular question about the DMCA and its (so-called) "Safe Harbors"? Here you go! But be warned: we're painting with a broad brush, so you will have to go further – including seeking legal advice – for more precise and nuanced answers for your actual situation. This guide is not legal advice.

INTRODUCTION

The Digital Millennium Copyright Act of 1998 (the "DMCA") sought to balance the interests of copyright holders who were afraid of the large scale copyright infringement that they anticipated with the onset of user-submitted content and the interests of owners and operators of Internet websites who wanted to allow their users to post content and communications without the operators being held liable for possible infringing acts of some of their users.

The DMCA's solution: copyright law would treat online service providers ("OSPs") as innocent middle-men in the underlying disputes between copyright holders and users who posted infringing content – provided the OSPs met certain conditions. The DMCA's "safe harbor" regime offers immunity to claims of copyright infringement if (among other requirements) online service providers promptly remove or block access to infringing materials after copyright holders give appropriate notice.

But the devil is in the details. To flag one key point: cribbing a DMCA policy from another website and posting it on yours is not enough; if that is all you do, you will not avail yourself of the safe harbor.

Note: Below, we refer interchangeably to those who operate websites as "service providers," "online service providers" and "OSPs." For an indexed and coherently-organized version of the statute itself, see the author's "*DMCA Safe Harbors De-Coded*."

www.fenwick.com/FenwickDocuments/DMCA_Safe_Harbors_De-Coded_05-07-12.pdf

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QUESTIONS

SCOPE OF DMCA PROTECTION, WHO'S ELIGIBLE, AND THE FOUR SAFE HARBORS

- **What is a DMCA "safe harbor,"** and why should I care about it?
- What does a DMCA safe harbor ***not* protect against**?
- If my company **accidentally uses someone else's copyrighted content** on our website, will the DMCA safe harbor protect me from a copyright lawsuit?
- **Am I a "service provider"** within the meaning of the DMCA?
- What are **the four DMCA safe harbors**, and which one applies to my company?
- Can I be **under more than one** of the safe harbors?

SAFE HARBOR REQUIREMENTS AND HOW TO SET UP A SAFE HARBOR

- What must I do to set up a safe harbor and implement its requirements so I remain eligible for safe harbor treatment?
- What does **the storage safe harbor cover, and what are the requirements**?
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- What does **the caching safe harbor** cover, and what are the requirements?
- What does **the information location tools (search engine) safe harbor** cover, and what are the requirements?
- How do I arrange for an **agent for receipt of copyright claims**?
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- **Where on my website should I put the required contact information** for the agent for copyright claims?
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- **If** I learn that users have posted infringing matter on my website, but **no one has complained yet, am I okay**?
- **What is a counter-notice** and what must an effective counter-notice contain?
- **Should I give end-users a chance to respond** to claims they infringed someone's copyright?
- As a practical matter, what should I do **if copyright holders want more from me than the DMCA requires**?

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- What is a **"repeat infringer,"** and what must I do about repeat infringers? What should my "repeat infringer policy" look like?
- What am I obliged to do about **repeat infringers if I am under a safe harbor other than the storage safe harbor**?

ANSWERS

What is a DMCA "safe harbor," and why should I care about it?

The Digital Millennium Copyright Act includes a set of provisions commonly known as the DMCA Safe Harbors. (17 U.S.C. § 512.) These provisions are designed to protect online service providers (OSPs) from liability from copyright claims arising out of conduct by their end-users that copyright holders claim is infringing: when, for example, users submit content to an online service that does not belong to them, this could be an act of copyright infringement.

If specific procedures and requirements of the DMCA are satisfied – matters that are frequently challenged in copyright cases – the OSP has no liability for money damages, and at most only fairly harmless exposure to injunctions (court orders directing the OSP to do or not do something).

The four safe harbors – see links below for details – cover claims arising from the OSP having:

- Hosted, stored and made infringing matter available if it was stored at the direction of users (the Storage Safe Harbor, § 512(c));
- Transmitted, routed or provided connections (for example, telephone lines) for digital online connections for infringing material transmitted by users (the Transmission Safe Harbor, § 512(a));
- Cached infringing material on a system or network, when the material was initially made available by someone else (the Caching Safe Harbor, § 512(b)); or
- Provided links or referred users to online locations containing infringing matter or activity (the Search Engine or Information Location Tools Safe Harbor, § 512(d)).

There are specific requirements and preconditions for each of the safe harbors. Many of the requirements are vague, complex and disputed in practice, therefore you can seldom be entirely confident a "safe harbor" will keep you safe.

The safe harbors are in addition to other defenses in copyright (or other) law, and even if a safe harbor is not available, the copyright holder still must prove that the OSP infringed.

See also What does a DMCA safe harbor ***not*** protect against?

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What does a DMCA safe harbor ***not*** protect against?

The DMCA safe harbors offer protection against ***(i) copyright claims (ii) under U.S. law*** when the source of an alleged infringement is the ***(iii) conduct of the OSP's end-users.*** Therefore, the safe harbors do not protect against –

- Non-copyright claims, such as trademark infringement, unfair competition, rights of publicity, invasion of privacy, defamation, etc.
- Copyright claims under foreign law;
- The OSP's own, direct infringing activities; or
- The OSP acting in concert with users to create infringements.

Nonetheless, note common custom and practice: Although the DMCA offers no legal protection against foreign or non-copyright claims, it is common for OSPs to offer a DMCA-like notice-and-take-down regime for other intellectual property claims and for concerns that might arise under non-U.S. law. Holders of other rights and are often willing to use such a process in lieu of filing a lawsuit.

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If my company accidentally uses someone else's copyrighted content on our website, can a DMCA safe harbor protect me from a copyright lawsuit?

No, it cannot. If an online service provider engages in infringing conduct itself (whether deliberately or through inadvertence), or if it acts in concert with its end-users to infringe, the safe harbor defenses are not available to protect the company. ("Acting in concert" requires doing more than merely making its facilities available generally for uploading and storage, etc.)

Of course, not being protected by a safe harbor is not the same thing as being liable for copyright infringement. The plaintiff / copyright holder still has the burden of proving copyright infringement, and other defenses may apply.

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Am I a "service provider" within the meaning of the DMCA?

If you operate a website accessible to the public, the answer is almost certainly "yes".

There are two definitions of "service provider" under the DMCA.

The first definition is used only for **the transmission safe harbor** (§ 512(a)), for providers of "Transitory Digital Network Communications." This safe harbor is basically for telephone companies and companies like the one that sells you access to the Internet for a monthly fee. Such companies simply act as transmission belts for Internet content which they do not create or select themselves.

A service provider for this safe harbor is therefore defined as:

> "an entity offering the transmission, routing, or providing of connections for digital online communications, between or among points specified by a user, of material of the user's choosing, without modification to the content of the material as sent or received.**"** (512(k)(1)(A).)

The second definition defines service provider for all of **the other safe harbors** – the storage safe harbor, the caching safe harbor and the information location tools (search engine) safe harbor:

> "a provider of online services or network access, or the operator of facilities therefor." (§ 512(k)(1)(B).)

This broad definition essentially embraces all providers of Internet services or websites. We are not aware of a circumstance in which someone was held ineligible for one of the safe harbors on grounds it was outside this definition.

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What are the four DMCA safe harbors, and which one applies to my company?

There are four safe harbors under the DMCA. Eligibility is assessed independently for each safe harbor, and an online service provider (OSP) might fit under more than one.

The ***Storage Safe Harbor*** protects OSPs for liability for infringing material that users direct to be stored or made available on the OSP's website. (§ 512(c).) Most websites and online services fall into this category.

The ***Transmission Safe Harbor*** protects OSPs (typically telecommunications companies) from liability for infringing matter transmitted, routed or connected to when the infringing material is transmitted by end-users or others. (§ 512(a).)

The ***Caching Safe Harbor*** protects OSPs from liability for the intermediate and temporary storage of a third-party's infringing material on a system or network controlled or operated by or for the service provider. (§ 512(b).)

The ***Information Location Tools Safe Harbor*** (Search Engine Safe Harbor) protects an OSP for liability for referring or linking users to an online location containing infringing material or infringing activity, by using information location tools. (§ 512(d).)

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Can I be under more than one of the safe harbors?

Yes. As set forth in § 512(n):

> "Subsections (a), (b), (c), and (d) [of § 512] describe separate and distinct functions for purposes of applying this section. Whether a service provider qualifies for the limitation on liability in any one of those subsections shall be based solely on the criteria in that subsection, and shall not affect a determination of whether that service provider qualifies for the limitations on liability under any other such subsection."

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What must I do to set up a safe harbor and implement its requirements so I remain eligible for safe harbor treatment?

The initial set-up requirements for the storage, caching and information location tools safe harbors are as follows.

The OSP must –

a. Designate an agent for service of copyright claims (i) on their website and (ii) in an online filing with U.S. Copyright Office (§ 512(c)(2)); and

b. Write, adopt and post on its website a "repeat infringer policy." (§ 512(i)(1)(A).)

For those safe harbor to remain effective, the OSP must set up internal processes and procedures to –

c. Manage the notice-and-take-down process (§ 512(c)(1) (C)); and

d. Reasonably implement its repeat infringer policy.

See links for more on each point.

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What does the storage safe harbor cover, and what are the requirements?

The activities that the storage safe harbor protects from liability. The storage safe harbor protects the OSP against copyright liability "***by reason of the storage at the direction of a user*** of material that resides on a system or network controlled or operated by or for the service provider …" (§ 512(c), emphasis added.) The key point is that a ***user,*** not the OSP, is responsible for the presence of the allegedly infringing matter on the OSP's system.

Scope: Although this safe harbor only refers to "storage," it is understood to include protection against claims for related activities such as transmitting and publicly displaying stored content, or allowing users to stream or download content uploaded by other users.) It also protects against liability for related technical activities like transcoding videos into different formats.

Requirements: To be eligible for the storage safe harbor, an OSP must:

1. Adopt, inform users of and implement a repeat infringer policy. (The DMCA requires this for all safe harbors.)
2. Lack actual knowledge of infringement and lack awareness of facts and circumstances ("red flags") making infringement apparent.
3. On obtaining such knowledge or awareness, expeditiously take down infringing matter.
4. Not have a direct financial benefit from infringement in circumstances where the OSP also has the right and ability to control the infringing activity.
5. Designate an agent for receipt of copyright claims both on the OSP's website and in an online U.S. Copyright Office filing.
6. Adhere to the DMCA's notice-and-take-down regime:
    - Expeditiously remove infringing matter or block access on proper notice, and
    - (At the OSP's option) offer and implement a counter-notice process. [1]

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1 The DMCA also includes a nominal requirement that OSPs accommodate and not interfere with so-called "standard technical measures." This is in theory required for all safe harbors, but, in reality, not required at all. "Standard technical measures" refers to requirements that might have come into effect if there were standard, industry-wide agreement on certain technical measures to protect copyrighted material. But no "standard technical measures" now exist, within the meaning of the DMCA, so as a practical matter this requirement does not exist.

What does the transmission safe harbor cover, and what are the requirements?

First, note that the **definition of "service provider"** is different for this safe harbor: It is

> "an entity offering the transmission, routing, or providing of connections for digital online communications, between or among points specified by a user, of material of the user's choosing, without modification to the content of the material as sent or received." (§ 512(k)(1)(A).)

Translating, this means that –

- The service must involve the transmission, routing, or offering of online connectivity;
- The user, not the service provider, must select the material that is transmitted; and
- The transmitted matter must be transmitted without the OSP changing it.

The claims the transmission safe harbor protects against are similar. That is:

> "A service provider shall not be liable … for infringement of copyright ***by reason of*** the provider's ***transmitting, routing, or providing connections for, material through a system or network controlled or operated by or for the service provider***, or ***by reason of the intermediate and transient storage of that material*** in the course of such transmitting, routing, or providing connections …" (Emphasis added.)

The conditions for eligibility are as follows (§ 512(a))**:**

1. Someone else (not the service provider) must initiate or direct the transmission to happen;
2. The transmission, routing, provision of connections or storage must (i) be carried out through an automatic technical process (ii) without the service provider selecting the material;
3. The service provider must not select the recipients of selected matter except as an automatic response to another person's request;
4. No copy made in course of intermediate or transient storage may be accessible to others than the anticipated recipients; and no copies may be maintained in a manner ordinarily accessible to anticipated recipients longer than is reasonably necessary for transmission, routing, or provision of connections;
5. The service provider must transmit material without modifying its content; and

6. The OSP must have and notify users of a repeat infringer policy.

This final requirement exists even though a transmission services provider is not likely to become aware of any alleged infringements: under the DMCA, the transmission service provider is not required to identify an agent for receipt of claims of copyright infringement because there is no take-down obligation under the transmission safe harbor.

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What does the caching safe harbor cover, and what are the requirements?

The claims the caching safe harbor protects against:

> "A service provider shall not be liable … for infringement of copyright ***by reason of the intermediate and temporary storage of material on a system or network controlled or operated by or for the service provider…"*** (§ 512(b)(1), emphasis added.)

The **conditions for eligibility** are as follows (§ 512(b)(2)):

1. ***Someone other than the OSP*** (e.g., the original website owner) ***makes the allegedly infringing material available*** online;
2. The original website owner transmits material through the service provider's system or network ***at the direction of a third party*** (e.g., an end-user who calls up the original website or online source);
3. The material is ***stored through automated processes*** for purpose of making it available to yet other users who request access to the material, if the following conditions are satisfied:
    a. The material is transmitted to subsequent users without modification;
    b. The service provider does not allow access to the material without passwords or fees if they were require by the original site;
3. Take-down: The service provider must expeditiously take down or block access to the allegedly infringing cached matter when the provider receives a DMCA-compliant take-down notice (same as storage safe harbor) ***if and only if:***
    a. The infringing material has been taken down from original site, and
    b. The complainant so states in its notice to the caching service provider.

A repeat infringer policy is also required for this safe harbor, although it is not clear how it would be applied.

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What does the information location tools (search engine) safe harbor cover, and what are the requirements?

The claims the information location tools safe harbor protects against:

> "A service provider shall not be liable … for infringement of copyright ***by reason of the provider referring or linking users*** to an online location containing infringing material or infringing activity, ***by using information location tools***, including a directory, index, reference, pointer, or hypertext link …" (§ 512(d), emphasis added.)

In other words, an eligible service provider won't be liable to claims for providing a search engine that led to infringing matter.

The following are the **conditions for eligibility** (§ 512(d)):

1. The service provider lacks knowledge of infringement or awareness of "red flags" – facts and circumstances from which infringement is apparent – or expeditiously removes or disables access to infringing matter if it obtains such knowledge or awareness;
2. The OSP does not receive a direct financial benefit from the infringement along with the right and ability to control the infringing activity;
3. When the OSP receives a DMCA-compliant notice of a reference or link to infringing matter or activity, it expeditiously removes the reference or link or disables access to the reference or link.

A repeat infringer policy is required for this safe harbor, although it is not clear how it would be applied.

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How do I arrange for an agent for receipt of copyright claims?

For OSPs to do their part in the notice-and-take-down system, copyright holders and their agents need to know who to contact with claims of infringement: they must have contact information for a designated agent. (§ 512(c)(2).) The Copyright Office formally calls this person or entity an "Agent to Receive Notifications of Claimed Infringement."

The agent can be an actual human being you identify by name (**not** recommended) or a role within the OSP (e.g., "copyright agent"). It may also be a department within the organization or within a third party entity (such as "Copyright Compliance Department"). Or the agent can be a third party entity generally. In any event, ***the OSP must provide contact information both*** *(1) on its website* AND *(2) at the Copyright Office*. *If you do everything else you need to do, but neglect to file with the Copyright Office, no safe harbor.* Period.

The Required Contact information for the designated agent. On its website, an OSP must provide its designated agent's

- "name" (and organization if different from OSP),
- street address or post office box,
- telephone number, and
- email address.

The OSP must also file that and other information with the Copyright Office.

Regarding the email address, the risk of using an individual's email (e.g., "jsmith@serviceprovider.com") is that if Jane Smith leaves the company, the email address may cease to function. And *a nonfunctional email address means no safe harbor*.

It therefore makes more sense for notices to be directed to "copyright@serviceprovider.com", and for email to that address to be automatically forwarded to the employee with the responsibility for dealing with take-down notices. The forwarding can then be easily changed when the employee changes.

Where to put the agent's contact information on your website? It does not need to be the most prominent item on your home page, but locating a link to the contact information should be straightforward. Best practice would be to put a link at the bottom of the home page (along with typical information like "Contact" or "About us"), and call it "Copyright Policy & Claims." Some sites put the agent's information under "Privacy" or make it part of "Terms of Use." But this can be confusing or misleading, since the agent's information is neither. Under "Legal" would work, too. Of course, the link should not be in a users-only section of the website, since complainants might

not be users. In any event, the link should jump to a page containing the contact information as well as information regarding the take-down process.

See How do I register with the Copyright Office? for details.

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How do I register with the Copyright Office?

Anyone who previously registered their agent with the Copyright Office using the Office's previously-employed paper form ***must register again*** using the Office's online form. You have until December 31, 2017.

Hereafter, *registrations are good only for a three-year term* – so calendar your renewal or you'll lose your safe harbor! The registration fee is now just $6.00.

Go to this page: https://www.copyright.gov/dmca-directory/ or if the Copyright Office reorganizes its site, start at its home page https://copyright.gov/ and look for DMCA agents or registration.

Information Required to Designate an Agent with the Copyright Office

Online service providers must provide the Copyright Office with the following information to designate an agent, amend a designation, or resubmit a designation:

- **Contact information for two representatives who will serve as primary and secondary contacts with the Office**. A service provider is required to provide contact information for primary and secondary contacts when the service provider sets up an account to log into the Office's system.
- **Contact information for the service provider**. A service provider must provide its full legal name, physical street address, telephone number, and email address. A post office box is not allowed unless a waiver is granted by the Copyright Office.
- **Alternate names used by the service provider**. Alternate names include names under which the service provider is doing business, website names and addresses (i.e., URLs), software application names, and other commonly used terms that members of the public are likely to use to search for the service provider. Separate legal entities, such as corporate parents or subsidiaries, are considered separate service providers (not alternate names) and must submit separate designations of agents.
- **Contact information for the designated agent**. A service provider must provide its designated agent's name, organization if different from service provider, street address or P.O. Box, telephone number, and email address. *The same information is required by the DMCA to appear on the service provider's website*.

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Where on my website should I put the required contact information for the agent for copyright claims?

It does not need to be the most prominent item on your home page, but locating a link to the contact information should be straightforward.

Best practice would be to put a link at the bottom of the home page (along with typical information like "Contact" or "About us"), and call it "Copyright Policy & Claims." Some sites put the agent's information under "Privacy" or make it part of "Terms of Use." But this can be confusing or misleading, since the agent's information is neither. Under "Legal" would work, too.

Of course, the link should not be in a users-only section of the website, since complainants might not be users. In any event, the link should jump to a page containing the contact information and information regarding the take-down process.

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What happens if I violate the DMCA?

People sometimes refer to "violating" the DMCA, but there is no such thing. If you do not comply with the eligibility requirements for the DMCA's safe harbors, you have merely lost one line of legal defense. This does not itself make you liable for copyright infringement or any other claim; a copyright holder must still prove that you are directly or secondarily liable for the claimed infringement, and any other defenses that you or your users may have under copyright law (such as fair use) still apply.

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When I receive a copyright claim, do I have to decide whether the claim is valid?

No, not for DMCA purposes. The main point of the safe harbor regime is that an OSP should be able to protect itself from allegations of copyright infringement with respect to content submitted to the OSP by its end-users, whether those allegations are valid or not, without making such judgments, by following the notice-and-take-down procedure.

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How does the "notice and take down" procedure work?

In connection with three of the safe harbors – the storage safe harbor, the information location tools (search engine) safe harbor and the caching safe harbor – the DMCA requires that OSPs promptly remove or disable access to infringing materials when copyright holders gave DMCA-compliant notice of infringement. (§512(c)(1)(C).)

Removing or disabling access to infringing content applies to the storage safe harbor. The information location tools safe harbor and the caching safe harbor have similar requirements. For the information location tools safe harbor, the OSP must expeditiously ***remove or block access to links*** to infringing matter. And the caching safe harbor requires that, in designated circumstances, the ***OSP remove or block access to caches*** containing infringing matter.[2] There is no take-down requirement for the transmission safe harbor.

The DMCA anticipates the possibility of two phases of the take-down process for the storage safe harbor.

1. **Notice and Take-down.** First, upon receipt of a DMCA-compliant notice of infringement, the service provider must "expeditiously" remove or block access to the allegedly infringing matter. (§512(c)(1)(C).) The DMCA does not define "expeditiously," and any determination or judgment on what speed is sufficient is highly contextual. If the OSP does remove or block access, in principle it should have no liability to the copyright holder whether or not the copyright claim is ultimately upheld. (§512(c).)

   If the notice of infringement is defective, the OSP may have an obligation to advise the copyright holder.

2. **Counter-notice procedure.** The DMCA includes a procedure for giving a service provider's end-users an opportunity to respond to a take-down notice and have their content restored – with the OSP still being protected against liability. As we discuss below, this part of the notice-and-take-down process is optional, but here's how it works.

   When an OSP removes or blocks access to end-user content, the OSP may concurrently provide notice to the end-user and give the end-user an opportunity to lodge a counter-notice disputing infringement. If the counter-notice complies with the requirements of the DMCA ((§512(g)(3)), the OSP must –

   - Promptly send a copy of the counter-notice to the complainant,
   - Inform the complainant that the service provider will restore the challenged matter in ten business days, and

2 The "take-down" requirements regarding linking and caching are complex and will not be summarized here. See § 512(d) for specifics for the information location tools safe harbor, § 512(b)(1) for the caching safe harbor.

- Put challenged matter back up in ten to fourteen business days unless the copyright holder notifies the OSP that the copyright holder has filed a lawsuit against the end-user who posted the allegedly infringing content.

(§512(g)(2).) If the OSP follows these procedures concerning counter-notices, it will have no liability to the copyright holder for having restored the challenged matter in the event the copyright holder fails to file suit. If the owner of the copyright does sue, the service provider will have no liability to either party, however the lawsuit turns out.

If a service provider provides this option to its end-users, the DMCA shields the OSP from possible claims by end-users alleging that the OSP wrongfully removed or blocked access to their content. (§512(g).) This "protection" has limited significance, since the service provider can likely protect itself sufficiently through terms of use that provide sufficient discretion to terminate users and/or take down their submissions.

Must you offer end-users an opportunity to file counter-notices? No, counter-notices are optional. See this link for the pros and cons of providing the counter-notice.

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If you are a copyright owner, how do you (or your agent) lodge a DMCA-compliant notice of infringement?

Let's say you own the copyrights in a song, photo or other copyrighted content. And let's say the users of a website have uploaded and posted your song, etc. or something that infringes your content.

Assuming the OSP (the owner of the website) has provided contact information for their agent for receipt of copyright claims, you can trigger their take-down obligation by sending an appropriate notice to the agent.

Requirements for DMCA-compliant notice. An effective take-down notice must contain "substantially" the following:

1. Identification of the copyrighted work or works that the copyright holder claims have been infringed (or a representative list of such works);
2. Identification of the material that is said to infringe, and sufficient information for the OSP to locate that matter on its website;
3. Contact information for the copyright holder or its agent;
4. A statement that the complainant believes in good faith that the use of the allegedly infringed material is not authorized by the copyright owner, its agent or the law; and
5. A statement that the above information is accurate and (the following part under penalty of perjury) that the complainant is the owner or is authorized to act on behalf of the owner of the copyright, or is the owner of one of the exclusive rights under copyright law that is allegedly infringed.[3]
6. A physical or electronic signature of the copyright holder or its agent. (§512(c)(3).)

What if the notice of claimed infringement is defective?

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3 Copyright holders own a "bundle" of rights (e.g., the right to make copies of a work, the right to publicly perform the work, etc.). They can grant exclusive licenses to other people or companies allowing them to exercise one or more of those rights, without the copyright holder transferring the entire copyright. Any such exclusive licensee has the right to lodge a DMCA notice.

What if I get a copyright notice that does *not* satisfy DMCA requirements?

If the notice is incomplete or does not comply, it will not be admissible to show that the service provider had actual or "red flag" knowledge of infringing matter and is therefore ineligible for the safe harbor. (§ 512(c)(3)(B)(i).) But the OSP must contact the notice provider or take other reasonable steps (whatever those might be is not clear) to obtain the missing information if the notice is in substantial compliance on these three points:

1. Identification of the copyrighted work claimed to have been infringed;
2. Identification of the allegedly infringing material; and
3. Contact information for the complaining party.

(§512(c)(3)(B).)

If the OSP has made reasonable efforts, and the complainant still does not provide notice of alleged infringement that substantially complies with ***all*** of the listed notice requirements, the notice is ineffective and can be ignored. In that event, the OSP does not have to take down the allegedly infringing user-submitted content, and knowledge or awareness that would block eligibility for the safe harbor will not be ascribed to the OSP.

(Note that there is no statutory obligation to contact the end-user if the counter-notice is defective, although the OSP is free to do so.)

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If I learn that users have posted infringing matter on my website, but no one has complained yet, am I okay?

Only if you promptly remove or disable access to such matter. One of the conditions for eligibility for the storage safe harbor is that the OSP lacks knowledge of infringing matter. Therefore, if the OSP –

- actually knows that hosted material infringes, or
- is aware of facts or circumstances making infringement apparent (the "red flag" test)

– the OSP must expeditiously remove or block access. (§ 512 (c)(1)(A).)

Such knowledge might come without a complaint being lodged as a result, for example, of the OSP's own periodic review of its own website. When it gains such knowledge (other than through a defective notice), it must take down or disable access to the infringing matter.

What constitutes "knowledge," knowledge of just what, has been a heavily litigated issue. The weight of authority appears to favor the conclusion that it is not enough for an OSP to have general knowledge that some infringing matter may be present or is likely found on its website. The OSP must have ***specific*** knowledge of ***particular instances*** for that knowledge to bar the safe harbor. See, e.g., ***UMG Recordings v. Shelter Capital*** [the ***Veoh*** case], 667 F.3d 1022 (9th Cir. 2011), ***modified*** at 718 F.3d 1006 (9th Cir. 2013).

Two related points:

- Defective notices of copyright infringement are deemed not to have provided the kind of knowledge that negates safe harbor eligibility. (§512(c)(3)(B)(i).)
- Under § 512 (m)(1), an OSP has no affirmative duty to monitor for or seek out possible infringements in order to be eligible for safe harbors.

Nonetheless (creating some confusion), some courts have held that OSPs cannot "turn a blind eye" to infringement. Does exercising your statutory right not to monitor mean you are turning a blind eye? Not clear.

A critical consideration, as a practical matter, may be whether the website offers the kind of service that is likely to draw substantial or large quantities of infringing uses, as compared with instances in which alleged infringements are merely occasional events.

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What is a counter-notice and what must an effective counter-notice contain?

The DMCA provides a procedure for end-users to respond to a take-down notice. An end-user who has posted content that is claimed to be infringing can respond with a counter-notice and possibly have the challenged material restored. ***See*** How does the "notice and take down" procedure work?

A valid counter-notice must contain:

1. Identification of the allegedly infringing matter that was removed and where it had been located.
2. A statement under penalty of perjury that the end-user believes in good faith that the allegedly infringing matter was removed "as a result of mistake or misidentification." (The term "mistake," in this context, is understood to include the user's legal position that the posting of the material at issue did not infringe.)
3. The user's name, address and phone number.
4. Importantly, consent to U.S. federal district court jurisdiction where the user is located or (if the user is located outside the U.S.) where the OSP can be found.
5. Consent to service of process.
6. A physical or electronic signature.

((§512(g)(3).) The OSP has no statutory obligation to inform the user of defects in the counter-notice. But if the OSP plans to restore challenged matter in reliance on the counter-notice, it should be complete.

Points 4 and 5 of the counter-notice – consent to jurisdiction and to service of process – mean the user agrees that they can be sued in the U.S. In the case of foreign users, filing a counter-notice means they are surrendering any defense that they don't have enough contact with the U.S. for it to be fair to sue them here.

Because foreign end-users will commonly be loathe to agree to suit in the United States, there will likely be few counter-notices filed by parties not resident or found in the U.S.

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Should I give end-users an opportunity to respond to claims that they infringed someone's copyright?

Pros and cons of offering the counter-notice procedure.

The DMCA does not required that a service provider give end-users an opportunity to respond to claims of infringement through the counter-notice procedure. If you decline to offer that option to end-users, you will still be protected against copyright claims from the copyright holder, although you would lose the statute's protections against possible claims by end-users for taking down their submissions. What should you do? Here are some competing considerations.

Tilting against offering the counter-notice: Although this part of the DMCA creates immunity from end-user claims for wrongfully removing or blocking access to matter which they contend was not in fact infringing, statutory protection against end-user claims may be unnecessary. Protection from such claims (presumably breach of contract) can very likely be provided by the site's terms of use.

Further, in some cases, for other reasons, there could be substantial uncertainty as to whether at the end of the day a court would hold that the OSP is actually entitled to the claimed safe harbor. If a court ruled that the safe harbor was ***not*** valid, and the OSP had restored infringing matter in reliance on the counter-notice procedure, the DMCA might not shield the OSP from liability to the copyright holder after all. Finally, we believe that relatively few end-users actually file counter-notices even when they are made available, and an OSP might reasonably decide that the cost and bother of this additional implementation step are unwarranted.

Favoring the counter-notice: First, unless the OSP offers end-users some opportunity to respond, there may be "due process"-like concerns about what may otherwise seem like a one-sided system: if there is no opportunity to respond, the simple assertion of a claim by anyone who purports to be an aggrieved copyright holder will result in the removal of the end-user's content. This is a policy, not a legal concern; a service provider may decided not to offer services to someone without affording them "due process" in the legal or constitutional sense.

Second, the service provider's end-users may comprise a community important to the OSP, and may consider it important that the counter notice be offered. The OSP must be sensitive to the possible reactions of that community to its implementation of the notice-and-take-down system.

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As a practical matter, what should I do if copyright holders want me to do more than the DMCA requires?

This is a big question that requires specific legal advice, not general information such as provided here. Nonetheless, without offering legal advice on the subject, we note some possible considerations.

Particularly in circumstances when an OSP's end-users often or commonly abuse its service for infringing purposes, copyright holders may become aggressive in their demands on the OSP. They may demand that the OSP employ accelerated take-down procedures or that OSPs make tools available to content providers which allow them to initiate take-downs by themselves. Sometimes copyright holders press for use of fingerprinting or other screening technologies at the front end – that is, ask the OSP to use technology to monitor postings and uploads to prevent allegedly infringing matter from being posted in the first place. This, notwithstanding that the DMCA expressly provides that OSPs have no burden to monitor for infringing content. (§ 512(m).)

Depending on the circumstances, including the OSPs' resources, these demands may be seen as excessive, burdensome and beyond the requirements of the DMCA, or be deemed to be reasonable demands from the perspective of the content industries, or both. See your copyright attorney for legal advice.

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What is a "repeat infringer," and what must I do about repeat infringers? What should my "repeat infringer policy" look like?

The DMCA is reasonably clear about the service provider's obligation concerning users who repeatedly infringe copyrights: to be eligible for the safe harbor, the service provider must "adopt[] and reasonably implement[], and inform[] subscribers and account holders of, … [its] ***policy that provides for the termination in appropriate circumstances of subscribers and account holders … who are repeat infringers***." (§ 512(i)(1)(A), emphasis added.)

Breaking that down into smaller bites, you must:

- Adopt a written repeat infringer policy;
- Notify users of that policy (posting it on your website, as part of your terms of service or "Copyright Policy," is appropriate); and
- Reasonably implement the policy.

The policy can be complicated, but it can be as simple as this:

> "It is [OSP's] policy, in appropriate circumstances, to terminate the accounts of members [or users] who are repeat infringers or are repeatedly charged with infringement."

This is all that is usually required.

What represents reasonable implementation of a repeat infringer policy? The statute requires that the repeat infringer policy be reasonably implemented. At a minimum, this means you must have a functioning email system so that notices of claimed infringement are actually received by the appropriate person for processing. If you don't, no safe harbor. Also, it appears you must not set up your system so that copyright holders are blocked from collecting infringement information (though it is not too clear what this means). Many service providers use a "three strikes [claims] you're out" standard, terminating users on the third copyright notice.

Beyond the foregoing, the rules are not entirely clear. Among the not-clearly-resolved questions are these:

- Must the OSP treat any user against whom a notice of infringement is lodged as an infringer, even if the OSP thinks the copyright claim was dubious?
- Should the filing of a counter-notice negate a "strike" against the user?
- How should "non-blatant" infringements be treated?

- Must the OSP take steps to identify and bar users terminated as repeat infringers, if they seek to re-register under other or fictitious names?

The DMCA assumes that service providers need not decide difficult cases, and that they are not in the business of determining whether users are truly copyright infringers. (So, for example, service providers are not obliged to assess their users' possible fair use defenses.)

Sometimes service providers feel they want to "stand behind" their users. But before doing so, they should carefully weight the cost of possible copyright litigation against the benefit to their user community and/or their simple desire for justice if they believe their users' rights are being abused.

Whatever approach an OSP adopts, ***we strongly recommend that online service providers have an internal set of written guidelines for handling repeat infringers.*** These need not be published, but should set forth your criteria for terminating users. These should be *guidelines* that are expressly flexible and are not too burdensome to actually follow. *Do not adopt an ambitious policy that sounds great, but contains exacting procedures you are not likely to implement in practice!* This will only make matters worse, when someone sues you and claims you didn't follow your own procedures.

Better for the guidelines to simply state multiple, flexible criteria that you may consider in deciding on termination, rather than procedural steps you must perform in the course of making such determinations.

Your internal guidelines may reflect the nature of your service and your expectations regarding the frequency, nature and scope of possible infringement claims. If, for example, you think a simple "three strikes" policy may not work for you, you might want internal guidelines including something like this:

> In determining whether termination is appropriate, Company may take into account – in addition to the number of Qualifying Infringements [a term you might define] – the following considerations, among others:
>
> - Whether the infringements were obvious or blatant, as opposed to debatable or unclear, including whether the user might in good faith have believed that the posted material did not infringe.
> - Whether infringing matter appear to be the mainstay of the user's postings on our web site, or only a few among myriad lawful postings.
> - How many times the user has posted blatantly infringing matter, and over how long a period of time.

- How many valid notices of infringement that have resulted in take-downs, even if Company could not easily and fairly determine the merits of the infringement claim.
- Whether the user has filed counter-notices, and the outcome.
- Whether the user has some credible explanation for offering infringing goods or works, and what it may be doing to avoid a repetition of the situation.

Notwithstanding the foregoing, Company is not obliged to and it is not our policy to conduct an exhaustive or costly investigation when users are charged with infringement.

This is not intended as an exhaustive statement of considerations, nor do we recommend adoption of internal procedures like these without assessing the OSP's particular circumstances. Specific decisions are matters for legal advice, and these comments do not constitute legal advice.

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What am I obliged to do about repeat infringers if I am under a safe harbors other than the storage safe harbor?

In what appears to be legislative confusion, the requirement that a service provider have a repeat infringer policy applies on the face of the statute to ***all*** of the safe harbors. (§ 512(i).) But it is not evident how a repeat infringer policy could be implemented for other safe harbors than the storage safe harbor.

First, we note that ***the transmission safe harbor is not subject to the notice-and-take-down regime at all***. Since copyright holders would therefore not be filing any notices of claimed infringement against providers of transmission service providers, it is hard to see how a transmission service provider would determine that anyone was an alleged infringer, let alone a repeat infringer.

Regarding service providers who offer information location tools or provide caching, the users or entities who created the original allegedly infringing materials would typically not be "subscribers [or] account holders" of the search engine nor of the browser that generated the cache. So, again, implementation of the stated requirement appears impossible.

Nonetheless, since the statute expressly calls for adoption and notice of a repeat infringer policy, it behooves those entities to also adopt a simple repeat infringer policy, and to post a notice somewhere online that they have one. This would be a lot cheaper than litigating the issue in the event of a copyright lawsuit.

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Mr. Zimmerman has served as counsel in numerous copyright, trademark and patent cases, including *Research in Motion v. Good Technology* (copyright in user interface of handheld communicators); *Paramount v. ReplayTV* (copyright fair use in digital video recorders); *Lotus v. Borland* (Lotus 1-2-3 user interface copyrights) B*rown Bag Software v. Symantec* (copyrights and trade dress in user interfaces); and *Candle v. Boole & Babbage* (early computer software patent).

Mr. Zimmerman has taught Copyright Law at Santa Clara University Law School and is a frequent speaker at seminars and conferences on copyright, trademark and Internet issues. In addition, Mr. Zimmerman is a prolific writer on intellectual property, technology protection, and alternative dispute resolution.

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