

Before the
U.S. Patent & Trademark Office
Alexandria, VA

In re

Request for Comments and Notice of Public Meeting on a Preliminary Draft Convention on the Recognition and Enforcement of Foreign Judgments Currently Being Negotiated at The Hague Conference on Private International Law

Docket No. PTO-P-2016-0046

**COMMENTS OF
COMPUTER & COMMUNICATIONS INDUSTRY ASSOCIATION**

Pursuant to the request for comments published by the U.S. Patent & Trademark Office in the Federal Register at 81 Fed. Reg. 81,741 (Nov. 18, 2016), the Computer & Communications Industry Association (CCIA)¹ submits the following comments on the Preliminary Draft Convention on the Recognition and Enforcement of Foreign Judgments currently being negotiated at the Hague Conference on Private International Law.

I. Summary

Ensuring that judgments obtained by U.S. litigants can be meaningfully enforced abroad is a laudable objective. Insofar as this imposes a reciprocal obligation that U.S. courts enforce foreign judgments, however, important domestic policy choices may be inadvertently threatened. Adherence to the Convention as drafted may risk requiring U.S. federal courts to enforce foreign judgments that do not reflect the balance found in U.S. copyright and trademark law, exposing U.S. companies to exorbitant damage awards and overreaching injunctive relief, often contrary to the general territorial nature of intellectual property rights. For this reason, should the U.S.

¹ CCIA represents large, medium and small companies in the high technology products and services sectors, including computer hardware and software, electronic commerce, telecommunications and Internet products and services. Our members employ more than 750,000 workers and generate annual revenues in excess of \$540 billion. A list of CCIA members is available at <https://www.cciagnet.org/members>.

decide to adhere, changes in the draft text should be made to protect U.S. interests and avoid undermining important U.S. policies.

Principal among the necessary changes are ensuring that intermediary safe harbors like Section 230 of the Communications Decency Act and Section 512 of the Digital Millennium Copyright Act will be available, as well as fair use defenses for both copyright and trademark law. To protect these important U.S. policy considerations, orders enforcing foreign judgments (particularly those extending beyond acts of direct infringement as that term is construed in U.S. law) must not be inconsistent with Section 230, Section 512, defenses, and general principles of secondary liability.

With respect to remedies, the text should ensure that no punitive or similar damages may be enforced, and further, that any enforcement of injunctive relief must be reviewed *de novo* by U.S. courts for consistency with U.S. law. In particular, there is substantial concern regarding the enforcement of foreign global injunctions, including injunctions against non-parties.

II. Substantive Copyright and Trademark Issues

The following discussions of plaintiff “tourism,” the Section 230 and Section 512 safe harbors, fair use, and the volitional act requirement and *Betamax* doctrine are in response to Questions 8 and 11.

A. Plaintiff “Tourism”

Given the automatic nature of copyright protection for signatories of the Berne Convention and the lack of copyright examination in most countries, there is a real risk that foreign plaintiffs, or even U.S. plaintiffs, will engage in litigant “tourism.” That is, they will select a foreign country with the most permissive causes of action, narrowest defenses, and most severe penalties, obtain a judgment there, and seek to enforce that judgment in the United States.

This is a particular risk for U.S. Internet companies that operate globally since foreign courts may find violations of foreign law merely through the availability of a U.S. website or search engine, even in the absence of a finding that the website or search engine targeted that foreign forum. If there is no review of the merits of a foreign judgment that a plaintiff seeks to enforce in the United States, U.S. laws and policy may be displaced. As noted below, Congress has recognized this problem in the defamation context and legislated specifically to avoid it.

In order to protect against potential end-runs around U.S. standard legal processes, U.S. courts must be able to apply protections in U.S. law that were enacted to further valuable public policies, as well as due process. These include the safe harbors found in Section 230 of the Communications Decency Act and Section 512 of the Digital Millennium Copyright Act, fair use defenses in copyright and trademark law, copyright law's volitional act and *Betamax* doctrines, and compliance with the standards by which requests for injunctive relief are decided.

With regard to trademark law, Article 5(1)(k) of the draft Convention makes judgments in infringement actions eligible for enforcement only where the judgment is given by a court in the foreign country in which the registration was obtained (or deemed to have been obtained by a treaty). Article 6 is similarly limited regarding judgments involving validity decisions. While these limitations may mitigate against the worst forms of trademark "tourism," it remains the case that trademark rights are inherently territorial.² A judgment obtained in one country should be enforceable in another country only with respect to those territories where the plaintiff has trademark rights. For example, if a plaintiff in France obtains a judgment against a U.S. company for infringement of trademark rights in France, an action to enforce that judgment in a U.S. court should be permitted only with respect to rights in France, unless the plaintiff also has

² See, e.g., *Fuji Photo Film Co. v. Shinohara Shoji Kabushiki Kaisha*, 754 F.2d 591, 599 (5th Cir. 1985) ("The concept of territoriality is basic to trademark law; trademark rights exist in each country solely according to that country's statutory scheme.").

U.S. trademark rights and the French infringement judgment included a valid, litigated claim for violation of U.S. rights as well.³ Even then, important public policy defenses found in U.S. trademark law, but not in a foreign action, such as nominative fair use⁴ and parody,⁵ must be permitted to be raised in the enforcement action in a U.S. court.

B. Section 230

Section 230 of the Communications Decency Act is one of several critical defenses that must be safeguarded if U.S. courts enforce foreign judgments. Section 230 confers broad liability to intermediaries from liability for third party conduct. *See* 47 U.S.C. § 230(c). The 2010 Securing the Protection of our Enduring and Established Constitutional Heritage (SPEECH) Act, the so-called “libel tourism” law codified at 28 U.S.C. § 4102, expressly preserves Section 230, *see* § 4102(c), and the same result should obtain here.

In particular, a U.S. court of appeal decision suggests that all foreign intellectual property judgments should be barred in situations where Section 230 would apply against statutorily defined “interactive computer services”, *see* § 230(f)(2), because such judgments have not been rendered with respect to federal IP rights.⁶ Just as one of the purposes of Section 230 is to prevent the application of multiple potentially inconsistent obligations on intermediaries based on disparate state laws, the same rationale applies with equal force to disparate foreign laws. Therefore, any international legal obligation pertaining to foreign judgments should explicitly preserve Section 230 defenses for intermediaries, for all causes of action.

³ *See, e.g., Vanity Fair Mills, Inc. v. T. Eaton Co.*, 234 F.2d 633, 639 (2d Cir. 1956) (“when trade-mark rights within the United States are being litigated in an American court, the decisions of foreign courts concerning the respective trade-mark rights of the parties are irrelevant and inadmissible”).

⁴ This includes ensuring that defendant does not bear the burden of proof on nominative fair use. *See KP Permanent Make-Up, Inc. v. Lasting Impression I, Inc.*, 543 U.S. 111 (2004).

⁵ *See e.g., Louis Vuitton Malletier S.A. v. Haute Diggity Dog, LLC*, 507 F.3d 252 (4th Cir. 2007); *Louis Vuitton Malletier S.A. v. My Other Bag, Inc.*, No. 16-241 (2d Cir. Dec. 22, 2016) (summary order).

⁶ *Perfect 10, Inc. v. CCBill LLC*, 488 F.3d 1102, 1118-19 (9th Cir. 2007).

C. Section 512 Safe Harbors

The Section 512 safe harbors have played a critical role in the development of the digital economy in the United States by providing certainty to investors that online services' liability for their users' actions will be appropriately limited.⁷ Congress's intent was to foster a thriving online environment for all stakeholders through the balanced regime found in Section 512:

[The law] will also encourage the continued growth of the existing off-line global marketplace for copyrighted works in digital format by setting strong international copyright standards . . . by limiting the liability of service providers, the DMCA ensures that the efficiency of the Internet will continue to improve and that the variety and quality of services on the Internet will continue to expand.⁸

As Senator Hatch noted during the passage of the DMCA, the safe harbors were the result of months of negotiations among “the major copyright owners and the major OSPs, and ISPs.”⁹ The U.S. Government has negotiated safe harbors in both bilateral and multilateral trade agreements, most recently in the Trans-Pacific Partnership. Yet while intermediary liability limitations are embedded as international obligations in a number of trade agreements, they cover only a minority of countries. Moreover, some foreign countries which have trade agreement obligations to provide safe harbors have failed to implement or enforce such protections, including developed countries such as Australia.¹⁰ Given the lack of adequate global safe harbors, Section 512 should be enumerated as a defense that a U.S. court would entertain, review of the merits generally notwithstanding.

⁷ Matthew Le Merle, *et al.*, *The Impact of U.S. Internet Copyright Regulations on Early-Stage Investment: A Quantitative Study* (Booz & Co. 2011), <http://www.strategyand.pwc.com/media/uploads/Strategyand-Impact-US-Internet-Copyright-Regulations-Early-Stage-Investment.pdf>.

⁸ S. Rep. No. 105-190, at 8 (1998).

⁹ 144 Cong. Rec. S4885 (May 14, 1998) (statement of Sen. Hatch).

¹⁰ U.S.-Australia Free Trade Agreement, art. 17.2(2), May 18, 2004, 2004 U.S.T. LEXIS 162, 234, *available at* http://www.ustr.gov/sites/default/files/uploads/agreements/fta/Australia/asset_upload__file469_5141.pdf.

D. Fair Use

The draft Convention contains an exception for judgments that are “manifestly incompatible” with public policy. *See* Article 7(1)(c). It is critical to enunciate what “manifestly incompatible” means. For example, under New York state law,¹¹ which has a public policy exception, incompatibility is extremely narrow. As the New York Court of Appeal held, under New York state law, the “public policy inquiry rarely results in refusal to enforce a judgment unless it is inherently vicious, wicked or immoral, and shocking to the prevailing moral sense.”¹² This is far too narrow. In both copyright and trademark law, First Amendment values are central to the public policies underlying the contours of the rules that American courts apply. As set forth below, those important public policies must be preserved in the context of the enforcement of foreign copyright and trademark judgments.

i. Fair Use in Copyright Law

Copyright law protects communicative works, works which often involve significant First Amendment values. In addition to being a critical protection for a large component of U.S. exports,¹³ copyright fair use is constitutionally mandated. A judgment inconsistent with U.S. fair use principles cannot be constitutionally enforced in the United States. The broad contours of fair use are essential to reconciling the Copyright Act’s inherent limitations on free speech with the First Amendment’s prohibition of the same — a fact motivating the Supreme Court’s

¹¹ Currently, foreign judgments in IP cases are enforced under state law, and heard in federal court under diversity jurisdiction.

¹² *Sung Hwan Co. v. Rite Aid Corp.*, 7 N.Y.3d 78, 82 (N.Y. 2006) (internal quotation marks omitted).

¹³ Thomas Rogers & Andrew Szamoszegi, *Fair Use in the U.S. Economy* at 26-27 (2011), <http://www.cciagnet.org/wp-content/uploads/library/CCIA-FairUseintheUSEconomy-2011.pdf> (finding that exports of goods and services related to fair use industries increased by 64 percent between 2002 and 2009, from \$179 billion to \$266 billion, while exports of trade-related services, including Internet or online services, were the fastest growing segment, increasing nearly ten-fold from \$578 million in 2002 to more than \$5 billion annually in 2008-2009).

decisions in *Eldred v. Ashcroft*, 537 U.S. 186, 219-20 (2003), and *Golan v. Holder*, 132 S. Ct. 873, 890 (2012).

As Judge Pierre Leval wrote: “Fair use should not be considered a bizarre, occasionally tolerated departure from the grand conception of the copyright monopoly. To the contrary, it is a necessary part of the overall design.” Pierre Leval, *Toward a Fair Use Standard*, 103 Harv. L. Rev. 1105, 1110 (1990).¹⁴ While it may not be clear whether a failure to allow fair use would be considered “inherently vicious, wicked, or immoral,”¹⁵ such a failure would eviscerate an important and constitutionally required defense. Any draft Convention should therefore have fair use enumerated as a defense that a U.S. court would entertain, review of the merits generally notwithstanding.

ii. Fair Use in Trademark Law

Trademark law’s nominative fair use and parody defenses serve similarly important public policy purposes, and should, therefore, also be enumerated as available defenses, especially since they are not recognized in all foreign trademark laws as defenses. For example, United States courts decline to apply trademark law to “nominative” uses — that is, instances in which the use of the trademark was necessary to identify the trademark holder, and there was no false suggestion of sponsorship or affiliation.¹⁶ That rule addresses the “serious First Amendment concerns” that would otherwise arise from trademark enforcement that could “interfere with truthful communication between buyers and sellers in the marketplace.”¹⁷

¹⁴ In *Sarl Louis Feraud International v. Viewfinder, Inc.*, 489 F.3d 474 (2d Cir. 2007), an action to enforce a French copyright judgment in fashion design, the court of appeals recognized the critical role that fair use and the First Amendment play and held that a foreign judgment that contravened them would be repugnant to public policy and not enforceable, but reversed the district court on the ground that the record was insufficient to evaluate the merits of the fair use defense under the facts of that particular case.

¹⁵ *Sung Hwan Co.*, *supra* note 12, at 82.

¹⁶ *Playboy Enterprises, Inc. v. Welles*, 279 F.3d 796, 801 (9th Cir. 2002).

¹⁷ *Toyota Motor Sales, U.S.A., Inc. v. Tabari*, 610 F.3d 1171, 1176 (9th Cir. 2010).

While the nominative-use rule is perhaps the most common situation in which the First Amendment constrains United States courts' application of the trademark laws, there are numerous other situations in which the trademark laws are construed narrowly to avoid any conflict with the First Amendment. For example, the trademark laws are narrowly construed to providing additional leeway with respect to the titles of expressive works¹⁸ and the contents of those works.¹⁹ This principle applies equally to expressive works that do not parody or criticize the trademark owner,²⁰ and applies equally to actions for trademark infringement and to actions for trademark dilution.²¹

E. Volitional Act Requirement and *Betamax* Doctrine

The volitional act and *Betamax* doctrines in copyright law properly mark the boundaries that make it possible for U.S. innovators to make devices and provide services to a global audience. Most other countries lack these relatively clear boundaries. Allowing enforcement actions to be brought in U.S. courts for judgments that conflict with principles that have made the United States the leading innovator in the world would not reflect U.S. interests.

¹⁸ *Rogers v. Grimaldi*, 875 F.2d 994, 998 (2d Cir. 1989) (“Because overextension of Lanham Act restrictions in the area of titles might intrude on First Amendment values, we must construe the Act narrowly to avoid such a conflict.”).

¹⁹ See, e.g., *E.S.S. Entm’t 2000, Inc. v. Rock Star Videos, Inc.*, 547 F.3d 1095, 1099 (9th Cir. 2008) (“Although this test traditionally applies to uses of a trademark in the title of an artistic work, there is no principled reason why it ought not also apply to the use of a trademark in the body of the work.”); *Mattel, Inc. v. MCA Records, Inc.*, 296 F.3d 894, 900 (9th Cir. 2002) (permitting the use of the BARBIE trademark in the song “Barbie Girl” because “[w]ere we to ignore the expressive value that some marks assume, trademark rights would grow to encroach upon the zone protected by the First Amendment.”).

²⁰ See, e.g., *Univ. of Alabama Bd. of Trustees v. New Life Art, Inc.*, 683 F.3d 1266, 1278 (11th Cir. 2012) (holding that the First Amendment required narrow construal of the trademark laws even where a trademark was used in the context of a painting that was laudatory, not critical, of the trademark holder).

²¹ *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 31 (1st Cir. 1987) (“Neither the strictures of the first amendment nor the history and theory of anti-dilution law permit a finding of tarnishment based solely on the presence of an unwholesome or negative context in which a trademark is used without authorization.”).

As explained by various federal appellate courts,²² U.S. copyright law requires some volitional act before direct copyright liability may be imposed upon a defendant. This is a critical component of U.S. law and should be a factor in whether to enforce a foreign judgment.

The Supreme Court’s 1984 “*Betamax*” case, *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 (1984), has been called the “‘Magna Carta’ of the information technology industry.”²³ This decision permitting products that are capable of “substantial noninfringing uses” has been critical to growing the consumer electronics industry and has continued to provide businesses confidence to invest in developing innovative new technologies for more than three decades. Many countries do not have these checks on secondary liability found in the United States.

United States trademark law, too, makes a sharp distinction between direct infringers—those who actually “use” a mark that causes a likelihood of confusion—and third parties. Indeed, “[t]he tests for secondary trademark infringement are even more difficult to satisfy than those required to find secondary copyright infringement.”²⁴ For example, under United States law, even a service provider alleged to have provided “critical support” to trademark infringers could not be subject to secondary liability, because service providers can only be secondarily

²² See *Fox Broad. Co. v. Dish Network L.L.C.*, 160 F. Supp. 3d 1139, 1160 (C.D. Cal. 2015) (“The volitional conduct doctrine is a significant and long-standing rule, adopted by all Courts of Appeal to have considered it . . .”) (citations omitted). See also *American Broadcasting Companies, Inc. v. Aereo, Inc.*, 134 S. Ct. 2498, 2512-13 (2014) (Scalia, Thomas, and Alito, JJ., dissenting) (“The Networks’ claim is governed by a simple but profoundly important rule: A defendant may be held directly liable only if it has engaged in volitional conduct that violates the Act. . . [T]he volitional-act requirement demands conduct directed to the plaintiff’s copyrighted material, see *Sony*, *supra*, at 434. Every Court of Appeals to have considered an automated-service provider’s direct liability for copyright infringement has adopted that rule. . . Although we have not opined on the issue, our cases are fully consistent with a volitional-conduct requirement. For example, we gave several examples of direct infringement in *Sony*, each of which involved a volitional act directed to the plaintiff’s copyrighted material.”) (citations omitted).

²³ Pam Samuelson, *The Generativity of Sony v. Universal: The Intellectual Property Legacy of Justice Stevens*, 74 *Fordham L. Rev.* 1831, 1850 (2006) (discussing *Sony Corp. of Am. v. Universal City Studios*, 464 U.S. 417 (1984)).

²⁴ *Perfect 10, Inc. v. Visa Int’l Serv. Ass’n*, 494 F.3d 788, 806 (9th Cir. 2007).

liable when they exercise “[d]irect control and monitoring of the instrumentality used by a third party to infringe the plaintiff’s mark.”²⁵

At a minimum, in the event the draft Convention is not limited to acts of direct infringement as construed in U.S. law, secondary liability defenses, such as those enunciated in the *Betamax* case, should be capable of being raised in an enforcement action. Failure to do so will result in the type of “tourism” found in defamation law, to the detriment of the U.S. economy. Courts should be empowered to focus on the substance of the claim, rather than the label of “direct” or “secondary”, to ensure that the limitations on liability in U.S. law that have served as critical to innovation are retained.

III. Remedies Issues

The following discussions of punitive damages and injunctive relief are in response to Questions 32 and 35 in the notice.

A. Punitive Damages

Punitive damages are not available under U.S. copyright law,²⁶ nor under Section 35 of the Lanham Act.²⁷ Such damages should, therefore, not be enforced as part of a foreign judgment. Foreign analogs to punitive damages, such as some *astreinte* awards, should similarly not be allowed. In a recent case,²⁸ the Ninth Circuit reviewed an action to enforce a French judgment for copyright infringement of photographs, observing, “this appeal illustrates the difficulty that can arise in determining foreign law and the confusion surrounding the role of foreign law in domestic proceedings.” *Id.* at *2.

²⁵ *Lockheed Martin Corp. v. Network Solutions, Inc.*, 194 F.3d 980, 984 (9th Cir. 1999).

²⁶ *Leonard v. Stemtech International Inc.*, 834 F.3d 376, 392 (6th Cir. 2016).

²⁷ *Getty Petroleum Corp. v. Bartco Petroleum Corp.*, 858 F.2d 103 (2d Cir. 1988). *See also La Quinta Corp. v. Heartland Properties LLC*, 603 F.3d 327, 342 (6th Cir. 2010) (in addition to a bar against punitive damage awards, “the Lanham Act expressly prohibits levying damages that may be classified as a ‘penalty.’”).

²⁸ *Sicre de Fontbrune v. Wofsy*, 2016 WL 6953867 (9th Cir. Nov. 14, 2016).

The parties to the proceeding offered competing expert opinions regarding whether *astreinte* awards were a form of damages or a penalty. The district court “vacillated” on the issue. The court of appeals acknowledged that *astreinte* is a “device that may appear rather strange to common law lawyers.” *Id.* at *9. The court of appeals held that the answer to the classification of such awards depends on whether the particular award may be seen as penal or compensatory.

In *Google Inc. v. Copiepresse*,²⁹ a Belgian appeals court confirmed an *astreinte* award of 25,000 Euros a day:

The court . . . orders Google to withdraw from the Google.be and Google.com sites, more particularly from the “cached” links visible on “Google Web” and from the “Google News” service, all articles, photographs and graphical representations of the Belgian publishers of French and German press represented by Copiepresse . . . or pay € 25000.00 for each day in noncompliance. . . .³⁰

This award was a penalty, since it was disassociated from compensatory objectives. The current language in draft Article 9 goes a fair way toward ensuring that such damages cannot be enforced, but more may be done. In particular, Article 9’s “may be refused” language should, in the case of IP judgments, be changed to “shall be refused.”

B. Injunctive Relief

The draft Convention’s provisions pertaining to injunctive remedies must conform to the exacting standards for equitable relief in the United States. In light of a concerning trend in which litigants are securing broad enforcement of foreign laws against U.S. companies in foreign courts, in proceedings to which no U.S. entity is a party, the Convention must be evaluated in regard to its consistency with federal standards for injunctive relief.

²⁹ *Google Inc. v. Copiepresse SCRL*, 2007 ECDR 5.

³⁰ See Claude Almansi, *Belgian Newspapers v. Google: Text of the Court of Appeal’s Decision*, ETC Journal, Aug. 1, 2011, <https://etcjournal.com/2011/08/01/belgian-newspapers-against-google-decision/>.

Federal Rule of Civil Procedure (FRCP) 65 sets forth important due process protections before injunctions may be issued, including defining the narrow circumstances in which such injunctions may be extended to non-parties to the underlying action.³¹ These protections may not have been present in a foreign injunction that is sought to be enforced in the United States. As an initial matter, judgments should not be enforced against parties or non-parties that were not provided notice and an opportunity to be heard on the merits of the underlying legal dispute, as required by FRCP 65.

In addition to these important procedural notice protections, the decision whether to grant preliminary or permanent injunctive relief is fraught with important public policies. The Supreme Court’s 2006 opinion in *eBay, Inc. v. MercExchange, L.L.C.*, 547 U.S. 388 (2006), represents a significant change from past IP injunction standards, rejecting what had been almost automatic entitlement to such relief when a *prima facie* case had been made. The widespread effects of *eBay* are detailed in the Second Circuit’s opinion in 2010 copyright case *Salinger v. Colting*, 607 F.3d 68 (2d Cir. 2008), which held that *eBay* had abrogated that circuit’s longstanding standard of almost automatic injunctions. In an opinion by Judge Calabresi, the court held that “the traditional principles of equity [*eBay*] employed are the presumptive standard for injunctions in any context,” 607 F.3d at 78, and furthermore quoted the Supreme Court’s post-*eBay* opinion in *Winter v. Natural Resources Defense Council*, 129 S. Ct. 365, 376-77 (2008), to the effect that:

A preliminary injunction is an extraordinary remedy never awarded as of right. In each case, courts must balance the competing claims of injury and must consider the effect on each party of the granting or withholding of the requested relief. In

³¹ For example, FRCP 65(d)(1) requires that “every order granting an injunction and every restraining order must: (A) state the reasons why it issued; (B) state its terms specifically; and (C) describe in reasonable detail—and not by referring to the complaint or other document—the act or acts restrained or required.” FRCP 65(d)(2)(C) provides that non-parties may only be bound by an injunction if they are “in active concert or participation with” a party or its agents.

exercising their sound discretion, courts of equity should pay particular regard for the public consequences in employing the extraordinary remedy of injunction.

The new standard was enunciated as follows by Judge Calabresi:

[A] district court must undertake the following inquiry in determining whether to grant a plaintiff's motion for a preliminary injunction in a copyright case. First, as in most other kinds of cases in our Circuit, a court may issue a preliminary injunction in a copyright case only if the plaintiff has demonstrated "either (a) a likelihood of success on the merits or (b) sufficiently serious questions going to the merits to make them a fair ground for litigation and a balance of hardships tipping decidedly in the [plaintiff]'s favor." Second, the court may issue the injunction only if the plaintiff has demonstrated "that he is likely to suffer irreparable injury in the absence of an injunction." . . . Third, a court must consider the balance of hardships between the plaintiff and defendant and issue the injunction only if the balance of hardships tips in the plaintiff's favor. Finally, the court must ensure that the "public interest would not be disserved" by the issuance of a preliminary injunction. 607 F.3d at 79-80 (internal citations omitted).

The same analysis applies in trademark cases.³² With respect to copyright, Congress also limited injunctions in Section 512(j) of the DMCA in the case of service providers not subject to monetary relief under Section 502.

The decision whether to grant injunctive relief is often the key issue in a case, even at the preliminary stage. Enforcement of foreign injunctions that do not meet the due process standards set forth in FRCP 65, as well as the substantive protections in 17 U.S.C. § 512(j) and in *eBay* and its progeny, should not be permitted. Article 7(1) of the draft Convention contains scant protection against an inadequate injunction.

As noted above, the need for due process requirements are highlighted by the growing trend of foreign courts and government agencies issuing global injunctions, even against non-parties. This poses a serious concern for U.S. industry. Recent examples include the *Equustek*

³² *Herb Reed Enterprises, LLC v. Florida Entm't Mgmt., Inc.*, 736 F.3d 1239, 1249 (9th Cir. 2013).

case argued before the Supreme Court of Canada last month,³³ as well as the French data protection authority's ongoing attempts to enforce the "right to be forgotten" globally.³⁴

In *Equustek*, a trial court in British Columbia issued an interim injunction against Google, a non-party, ordering it to remove the defendant's website from Google's search results in all territories globally. This injunction was appealed by Google to a Canadian court of appeal, which affirmed, and then to the Canadian Supreme Court. Years after the interim injunction was issued, the plaintiff has still not moved for a trial, having achieved by the interim order against Google, a non-party, the most important relief it sought.

The *Equustek* injunction thus permitted a trial court in British Columbia to determine what every citizen in the world can or cannot see, simply by issuing an injunction against a non-party. A U.S. court issuing or enforcing an injunction in the United States should be required to ensure that the injunction is consistent with the protections provided, including as to non-parties, under U.S. law.

IV. Conclusion

Should the U.S. decide to adhere to the Convention, it is essential that the foregoing changes be made to the draft text in order to protect U.S. interests.

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January 9, 2017

³³ Bruce D. Brown & Ariel B. Glickman, *Internet freedom at stake in Supreme Court of Canada case*, Toronto Star, Dec. 6, 2016, <https://www.thestar.com/opinion/commentary/2016/12/06/internet-freedom-at-stake-in-supreme-court-of-canada-case.html>.

³⁴ Peter Fleischer, *Reflecting on the Right to be Forgotten*, Google Blog, Dec. 9, 2016, <https://blog.google/topics/google-europe/reflecting-right-be-forgotten/>.