

ONLINE POLICY GROUP V. DIEBOLD, INC.*337 F. Supp. 2d 1195 (N.D. Cal. 2004)*

A District Court in the Northern District of California interpreted § 512(f) of the Digital Millennium Copyright Act (DMCA)—which provides damages and attorneys' fees for parties injured by knowing misrepresentations in a DMCA takedown notice.

Diebold manufactures electronic voting machines, the reliability of which commentators have questioned. Individual Swarthmore students posted archived copies of internal Diebold e-mails in which employees acknowledged problems with the voting machines on the internet. Diebold sent cease-and-desist notices to the relevant ISP's under the DMCA safe harbor provisions, claiming that the students were infringing Diebold's copyrights. The students and one ISP sued Diebold, requesting a declaratory judgment of noninfringement, and monetary relief under § 512(f), and under a state law tortious interference with contractual relations claim. The court decided the case on cross-motions for summary judgment.

The court dismissed the claim for declaratory relief as moot when Diebold withdrew its cease-and-desist letters and agreed not to send more. As to § 512(f), Diebold argued the language "knowingly materially misrepresent[ation]" should be interpreted in line with Federal Rules Civil Procedure Rule 11 and thus only apply if the takedown notices were "frivolous." Plaintiffs argued for a preliminary injunction standard requiring that a copyright owner have an objective "likelihood of success" in an infringement claim before sending a notice. The court rejected both arguments, holding that the statutory text was clear and declining to apply standards from other contexts. Citing Black's Law Dictionary, the court defined "knowingly" under § 512(f) to mean that the sender of the notice knew or should have known of the misrepresentation, or would have had no substantial doubt about the misrepresentation if it had acted in good faith. The court further held that a misrepresentation is "material" if it affects the ISP's response to the notice.

With regard to plaintiffs' use of the e-mail archive, the court judged it fair use because there was a strong public interest in discussion about the voting machines; there was no evidence that publication affected plaintiff's commercial interests in the archive; the plaintiffs did not publish the archive for profit; and, to the extent that Diebold claimed some of the e-mails contained copyrighted software, it failed to identify specifically which of the over 13,000 messages did. According to the court, it was suf-

ficiently clear that no reasonable copyright holder could have believed that the parts of the e-mail archive discussing problems with Diebold's equipment were protectable. The plaintiffs were therefore entitled to relief, including attorneys' fees, under DMCA § 512(f). With regard to plaintiffs' state law claim for intentional interference with contractual relations, the court held it was preempted by the DMCA and explained that if a copyright holder's use of the safe harbor provisions left it still exposed to state tort liability, the federal scheme would be frustrated; therefore, the existence of § 512(f) indicates that Congress took into account possible misuse of the DMCA.