

# DVD COPY CONTROL ASSOCIATION V. BUNNER: FREEDOM OF SPEECH AND TRADE SECRETS

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## I. INTRODUCTION

An effective intellectual property regime maintains a delicate balance between the interests granted to creators (and their assignees) and the rights and interests of the public in those creations.<sup>1</sup> One of the tensions created by the expansion of intellectual property rights involves the First Amendment rights of the general public.<sup>2</sup>

The last few decades have witnessed numerous changes in intellectual property doctrines.<sup>3</sup> In this new millennium, advancements in technology and shifts in social norms require a reevaluation of our intellectual property regime.<sup>4</sup> Although the proliferation of efficient means of data transfer and storage, such as the Internet and the personal computer, advances the goal of universal, low-cost access to the total output of human knowledge, large companies are stymieing this goal by leveraging their stockpiles of intellectual property in order to generate profits. To prevent unauthorized use or dissemination of this information, such companies are turning to

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1. See, e.g., *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146-47 (describing the balance contained in the Intellectual Property Clause of the Constitution).

2. See, e.g., Andrew Beckerman-Rodau, *Prior Restraints and Intellectual Property: The Clash Between Intellectual Property and the First Amendment from an Economic Perspective*, 12 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1 (2001); Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property Cases*, 48 DUKE L.J. 147 (1998).

3. Examples include the introduction of a quasi-perpetual copyright term, see Sonny Bono Copyright Term Extension Act of 1998, Pub. L. No. 105-298, 112 Stat. 2827 (codified as amended in scattered sections of 17 U.S.C.) (adding an additional twenty years to the copyright term), the allowance of software and business method patents, see *State St. Bank & Trust Co. v. Signature Fin. Group Inc.*, 149 F.3d 1368 (Fed. Cir. 1998) (ending the "business method" exception), and the expansion of trademark dilution rights in Federal Trademark Dilution Act of 1995, Pub. L. No. 104-98, 109 Stat. 985 (1996) (codified as amended at 15 U.S.C. §§ 1125(c), 1127 (2000)) (creating a federal trademark dilution cause of action).

4. Cf. *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 430 n.12 (1984) (quoting *Foreword to B. KAPLAN, AN UNHURRIED VIEW OF COPYRIGHT*, at vii-viii (1967) (describing how intellectual property doctrines reflect social change)).

contract law and technological protection measures to restrict how consumers can interact with the information they possess. Because form contracts and technological restrictions dictate what consumer behaviors are possible, they override many pre-existing statutory frameworks.<sup>5</sup> Against this background, courts are setting new precedents in trade secret law.

In August of 2003, the California Supreme Court reinstated a preliminary injunction enjoining the publication of information relating to the scheme used to encrypt the contents of DVDs.<sup>6</sup> The trial court had issued the preliminary injunction pursuant to California's trade secret law.<sup>7</sup> The California Supreme Court set aside the judgment of the court of appeal and remanded for further proceedings consistent with its opinion.<sup>8</sup> In so doing, the court rejected the defendant's First Amendment defense by finding that: the program DeCSS,<sup>9</sup> which decrypts DVDs, is not a matter of public concern; that an injunction prohibiting the publication of this program and related algorithms is content neutral; and that such an injunction is not a prior restraint on speech.<sup>10</sup>

After the submission of briefs on remand, the plaintiff, DVD Copy Control Association ("DVD-CCA"), judged that its case was too weak to be worth any additional litigation expenses and filed a motion in the trial court to voluntarily dismiss the underlying action against all defendants.<sup>11</sup>

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5. See generally LAWRENCE LESSIG, CODE AND OTHER LAWS OF CYBERSPACE (1999); Jacques De Werra, *Moving Beyond the Conflict between Freedom of Contract and Copyright Policies: In Search of a New Global Policy for On-Line Information Licensing Transactions*, 25 COLUM.-VLA J.L. & ARTS 239 (2003); J.H. Reichman & Jonathan A. Franklin, *Privately Legislated Intellectual Property Rights: Reconciling Freedom of Contract with Public Good Uses of Information*, 147 U. PA. L. REV. 875 (1999); Joel R. Reidenberg, *Lex Informatica: The Formulation of Information Policy Rules through Technology*, 76 TEX. L. REV. 553, 580-81 (1998).

6. DVD was originally an abbreviation for Digital Video Disc. Later groups created the alternate expansion Digital Versatile Disc to emphasize the other possible uses for DVDs. According to the DVD Forum, the letters officially stand for nothing at all. Jim Taylor, DVD Frequently Asked Questions (and Answers), DVD Demystified, at <http://www.dvddemystified.com/dvdfaq.html#1.1> (last updated Feb. 22, 2004) (§ [1.1.1.] What do the letters DVD stand for?).

7. DVD Copy Control Ass'n v. Bunner, 75 P.3d 1, 20 (Cal. 2003) [*hereinafter Bunner II*], rev'g 113 Cal. Rptr. 2d 338 (Cal. Ct. App. 2001) [*hereinafter Bunner I*].

8. *Id.*

9. The name DeCSS is a combination of the prefix "de-" meaning removal and "CSS" which is an abbreviation for the Content Scrambling System. See *infra* note 20.

10. *Bunner II*, 75 P.3d at 11-19.

11. Request for Dismissal, DVD Copy Control Ass'n v. McLaughlin (Cal. Super. Ct. Jan. 21, 2004) (No. 1-99-CV-786804), [http://www.eff.org/Legal/Cases/DVDCCA\\_case/20040121\\_dismissal.pdf](http://www.eff.org/Legal/Cases/DVDCCA_case/20040121_dismissal.pdf) (dismissal request appended to bottom of PDF file of DVD-CCA Notice of Motion to Dismiss Appeal for Mootness). Because the case was

The DVD-CCA then asked the court of appeal to dismiss the pending appeal as moot.<sup>12</sup> Andrew Bunner, the defendant, opposed this motion, and the court of appeal denied the request and conducted an independent review of the trial court's findings of fact.<sup>13</sup>

On remand, the appellate court rejected the assumption that the CSS algorithm and master keys were a trade secret and found that the trial court's issuance of a preliminary injunction was unjustified.<sup>14</sup> Indeed, the DVD-CCA likely tried to end the litigation precisely because its underlying trade secret case was so tenuous.

In Part II, this Note examines the historical background of *DVD Copy Control Ass'n v. Bunner*. Part III addresses the legal framework of the case and describes the California Supreme Court's analysis. Part IV assesses the strength of the trade secret claim underlying the trial court's issuance of the preliminary injunction and concludes, as did the court of appeal, that the DVD-CCA's case was very weak. In Part V, this Note analyzes the relationship between trade secrets and free speech and asserts that the court's formulation of the public concern doctrine was misguided. It further contends that DeCSS is a matter of public concern and that its publication should not have been enjoined.

## II. HISTORICAL BACKGROUND

In 1995, a consortium of ten companies announced the DVD format.<sup>15</sup> The term DVD refers to both physical formats such as DVD-ROM and to application formats such as DVD-Video.<sup>16</sup> The DVD standard includes many access control systems.<sup>17</sup> These systems perform various functions

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unilaterally dismissed, Andrew Bunner is entitled to collect any costs incurred during his four-year defense. Press Release, Matthew R. Pavlovich, DVD CCA Dismisses California DVD Case (Jan. 22, 2004), at <http://www.dvdcase.org/press.php>.

12. DVD Copy Control Association's Notice of Motion to Dismiss Appeal for Mootness at 2, *DVD Copy Control Ass'n v. Bunner*, 2004 WL 362414 (Cal. App. Jan. 21, 2004) (No. H021153), [http://www.eff.org/Legal/Cases/DVDCCA\\_case/20040121\\_dismissal.pdf](http://www.eff.org/Legal/Cases/DVDCCA_case/20040121_dismissal.pdf).

13. *DVD Copy Control Ass'n v. Bunner*, 10 Cal. Rptr. 3d 185, 187, 192 (Cal. Ct. App. 2004) [hereinafter *Bunner III*], <http://www.courtinfo.ca.gov/opinions/documents/H021153A.PDF>.

14. *Id.* at 196.

15. Taylor, *supra* note 6, § [6.1] (§ [6.1] Who invented DVD and who owns it? Whom to contact for specifications and licensing?).

16. Movies, for example are stored on DVDs in the DVD-Video application format while the base format for holding arbitrary data is DVD-ROM. *Id.* § [1.1] (§ [1.1] What is DVD?).

17. *Id.* at § [1.4] (§ [1.4] What are the disadvantages of DVD?).

such as disabling playback of DVDs purchased abroad<sup>18</sup> and preventing copying or sampling of content.<sup>19</sup> The Content Scrambling System (“CSS”) is an access control system that prevents digital copying or sampling of content from DVD-Video discs.<sup>20</sup>

CSS is a relatively weak encryption scheme that has a keylength of forty bits.<sup>21</sup> The poor design of the algorithm, along with the short keylength, render CSS susceptible to basic reverse engineering techniques, such as brute force and plaintext attacks.<sup>22</sup> As a result, CSS can easily be defeated without any access to the encryption keys.<sup>23</sup>

The underpinnings of CSS and its master keys were reverse engineered from a software-based DVD decoder sometime in 1999.<sup>24</sup> Using the results of the reverse engineering process, Norwegian teenager Jon Johansen wrote a new program called DeCSS that could overcome the CSS encryption.<sup>25</sup> Johansen published this DeCSS program on the Internet in October of 1999.<sup>26</sup>

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18. *Id.* at § [1.10] (§ [1.10] What are “regional codes,” “country codes,” or “zone locks”?).

19. *Id.* at § [1.11] (§ [1.11] What are the copy protection issues?).

20. *Id.* For a technical description of the CSS algorithm, see, for example, Eddie Edwards, *The Content Scrambling System (CSS)*, at <http://www.tinyted.net/eddie/css.html> (last visited Feb. 17, 2003); Frank A. Stevenson, *Analysis of DVD Contents Scrambling System*, at <http://www-2.cs.cmu.edu/~dst/DeCSS/FrankStevenson/analysis.html> (last updated Nov. 13, 1999).

21. Declaration of Roland Parviainen, *DVD Copy Control Ass’n v. McLaughlin* (Cal. Super. Ct. Nov. 28, 2001) (No. 1-99-CV-786804), [http://www.eff.org/IP/Video/DVDCCA\\_case/20011128\\_parviainen\\_decl.html](http://www.eff.org/IP/Video/DVDCCA_case/20011128_parviainen_decl.html). The keylength of an encryption scheme is one measure of its strength. A longer keylength usually corresponds to stronger encryption. Key Length, *Law-On-Line*, <http://www.law-on-line.com/cyberlaw/keylength.html> (last visited Mar. 10, 2004).

22. Edwards, *supra* note 20.

23. *Id.*

24. For a timeline of the events surrounding the reverse engineering of CSS and the creation of DeCSS, see *Informal DeCSS History Timeline*, Berkman Center for Internet & Society, at <http://cyber.law.harvard.edu/openlaw/DVD/research/chronology.html> (last visited Feb. 17, 2003).

25. *Bunner II*, 75 P.3d 1, 7 (Cal. 2003). Although Johansen was the author of the DeCSS program, the actual reverse engineering of the CSS algorithm was done by an anonymous programmer using the handle “the nomad” on Internet Relay Chat (IRC). Jon Bing, *The Norwegian DVD Case—Decision by Borgarting Appellate Court 5* (Dec. 22, 2003), at <http://www.ipjustice.org/johansen/DVD-Jon-Borgarting-1-eng.pdf> (unofficial translation of decision of Norwegian court). The results of the reverse engineering were passed on to Johansen through an anonymous source using the IRC handle “mdx.” *Id.*

26. *Bunner II*, 75 P.3d at 7. At the urging of the Motion Picture Association and the DVD-CCA, Jon Johansen was criminally tried under Norwegian law for his part in the DeCSS saga. Bing, *supra* note 25, at 3. He was acquitted of all charges in the Oslo City

In an effort to stop the dissemination of DeCSS and the many similar programs that followed, the DVD-CCA and the major motion picture studios filed suit against hundreds of people, known and unknown, who posted any form of the DeCSS program or who published the location of servers which provided DeCSS or related materials.<sup>27</sup> In addition to the suit against Bunner and his co-defendants, which the DVD-CCA brought under California trade secret law,<sup>28</sup> other plaintiffs also filed suits under the anti-circumvention provisions of the Digital Millennium Copyright Act (DMCA).<sup>29</sup> Despite these efforts, DeCSS and similar programs continue to proliferate.<sup>30</sup> In addition to websites which provide downloadable copies of DeCSS and similar programs, these programs can be found on tee shirts, contained in poems and music, as well as archived in mainstream publications such as MIT's *Technology Review*<sup>31</sup> and *Wired Magazine*.<sup>32</sup> Even the *Wall Street Journal* published one of the CSS encryption keys.<sup>33</sup>

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Court in January of 2003, and this ruling was unanimously upheld on appeal by the Borgia Appellate Court that December. *Id.* at 2, 11. The temporal proximity (less than one month) between the affirmation of Johansen's acquittal and the DVD-CCA's decision to drop its California trade secret case suggests that the outcome of Johansen's criminal case may have influenced the DVD-CCA's decision calculus.

27. *See, e.g., Universal City Studios, Inc. v. Reimerdes*, 111 F. Supp. 2d 294 (S.D.N.Y. 2000). *DVD Copy Control Ass'n v. McLaughlin* was the only suit brought under trade secret law. The other suits were brought under copyright law.

28. CAL. CIV. CODE § 3426 (West 1997).

29. 17 U.S.C. §§ 101-1205 (2000); *Bunner II*, 75 P.3d at 7.

30. At the time the injunction was entered, searches for DeCSS on the search engine Google revealed over 100,000 sites that provided DeCSS or information about it. Answer Brief of Respondent Andrew Bunner at 3, *DVD Copy Control Ass'n v. Bunner*, 75 P.3d 1 (Cal. 2003) (No. CV 786804), 2002 WL 1926020. As of March 11 2004, the number of hits was over 225,000. Google Search: DeCSS, Google, at <http://www.google.com/search?hl=en&ie=UTF-8&oe=UTF-8&q=DeCSS>.

31. Simson Garfinkel, *The Net Effect: The DVD Rebellion*, *TECH. REV.*, July-Aug. 2001, at 26. Unfortunately, the online version of the article, available at <http://www.technologyreview.com/articles/garfinkel0701.asp>, does not reproduce the code since it is contained in a side bar.

32. Victor C. Clarke, *DVD Hacking for Dummies*, *WIRED MAG.* 9.06, June 2001, at 78, available at <http://www.wired.com/wired/archive/9.06/mustread.html?pg=6>. A gallery of DeCSS Descramblers compiled by computer science professor David Tourstzky is a good starting point to explore these alternative embodiments of DeCSS. David Tourstzky, *Gallery of CSS Descramblers*, at <http://www.cs.cmu.edu/~dst/DeCSS/Gallery> (last modified Aug. 17, 2003). For a whimsical look at some of the many ways to distribute DeCSS, see Samuel Hocevar, *42 Ways to Distribute DeCSS*, at <http://decss.zoy.org> (last updated Aug. 30, 2000). For those interested, here is the short Perl script that *Wired Magazine* published with the same functionality as DeCSS:

```
s''$/=2048;while(<>){G=29;R=142;if((@a=unqT="C*",_) [20]&48){
D=89;_ =unqb24,qT,@ b=map{ord qb8,unqb8,qT,_^$a[--D]};@INC;s/
...$/1$&/;Q=unqV,qb25,_;H=73;O=$b[4]<<9|256|$b[3];Q=Q>>8^(P=
```

### III. LEGAL FRAMEWORK

#### A. Case Facts and Summary

After reading an article about DeCSS on the technology news and discussion site Slashdot, Andrew Bunner posted a copy of DeCSS on his website.<sup>34</sup> Based on this posting, the DVD-CCA named Bunner as a defendant when they filed their trade-secret suit in a superior court in Santa Clara, California.<sup>35</sup> The lawsuit sought to enjoin use, disclosure, and distribution of CSS-related trade secrets and to prohibit the disclosure of the location of websites that either disclosed such trade secrets or linked to other websites that disclosed CSS-related information.<sup>36</sup> Following the submission of written declarations by both sides, the trial court entered a preliminary injunction that applied to all defendants.<sup>37</sup> Since Bunner was the only defendant who appeared to contest the motions of the DVD-CCA, he was the only person to appeal the trial court's ruling.<sup>38</sup>

The court of appeal reversed on the grounds that the injunction was a violation of Bunner's rights to free speech as contained in the First Amendment and the related section of the California Constitution.<sup>39</sup> The DVD-CCA appealed and the California Supreme Court issued a narrow decision that examined the First Amendment defense identified by the court of appeal.<sup>40</sup> Both appeals courts assumed *arguendo* that the factual findings entered by the trial court were valid.<sup>41</sup> On remand, however, the court of appeal was instructed to independently evaluate the entire record

(E=255)&(Q>>12^Q>>4^Q/8^Q))<<17,O=O>>8^(E&(F=(S=O>>14&7^O)^S\*8^S<<6))<<9,=(map{U= %16orE^=R^=110&(S=(unqT,"xbz\n\td\xbz\x14d")[\_/16%8]);E^=(72,@z=(64,72,G^=12\*(U?0:S&17)),H^= %64?12:0,@z)[\_%8]}(16..271))[\_]^(D>>=8)+=P+(~F&E))for@a[128..\$#a]}print+qT,@a}';s/[D-HO-U\_]^\\$&&/g;s/q/pack+/g;eval

Clarke, *supra*; Keith Winstein & Marc Horowitz, qrpff, at <http://www.2.cs.cmu.edu/~dst/DeCSS/Gallery/qrpff.pl>.

33. David Hamilton, *Banned Code Lives in Poetry and Song—Critics of DVD-Copyright Ruling Say the Constitution Protects Posting Program in All Forms*, WALL ST. J., Apr. 12, 2001, at B1, available at 2001 WL-WSJ 2860112.

34. *Bunner II*, 75 P.3d at 7.

35. *Id.* at 8.

36. *Id.*

37. *Id.*

38. *Id.*

39. *Id.* at 8-9 (citing CAL. CONST. art. I § 2(a)).

40. *Id.* at 10.

41. *Id.* at 9-10.

to determine if the injunction was an abuse of the trial court's discretion.<sup>42</sup> This Note next examines the reasoning of the California Supreme Court.

## B. California Trade Secret Law

The first question a court must answer in a trade secret misappropriation inquiry is whether there is a valid underlying trade secret to support the action.<sup>43</sup> California is one of many states that have substantially adopted the Uniform Trade Secrets Act.<sup>44</sup> Under California law, "information, including a formula, pattern, compilation, program, device, method, technique, or process" is protectable as a trade secret if it "(1) [d]erives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (2) [i]s the subject of efforts that are reasonable under the circumstances to maintain its secrecy."<sup>45</sup> For the purposes of its opinion, the California Supreme Court assumed that the DVD-CCA would likely prevail on its claims that the CSS algorithm and master keys were protectable trade secrets and that the widespread publication of these trade secrets in many media did not destroy the secret nature of either the algorithm or the master keys.<sup>46</sup>

The next step of the inquiry is to determine if the underlying trade secret has been misappropriated. Under California law, one way to misappropriate a trade secret is to acquire, disclose or use "a trade secret of another" when one "knows or has reason to know that the trade secret was acquired by improper means."<sup>47</sup> The court assumed that DVD-CCA could

42. *Id.* at 19-20.

43. CAL. CIV. CODE § 3426.1(b) (West 1997).

44. *Bunner II*, 75 P.3d at 9. The Uniform Trade Secrets Act is codified at section 3426 of the California Civil Code. For a discussion of this law, see Jeff Danley, Note, *Cadence v. Avant! : The UTSA and California Trade Secret Law*, 19 BERKELEY TECH. L.J. 289 (2004).

45. CAL. CIV. CODE § 3426.1(d).

46. *Bunner II*, 75 P.3d at 9-10.

47. California law defines "misappropriation" as:

(1) Acquisition of a trade secret of another by a person who knows or has reason to know that the trade secret was acquired by improper means; or

(2) Disclosure or use of a trade secret of another without express or implied consent by a person who:

(A) Used improper means to acquire knowledge of the trade secret;

or

(B) At the time of disclosure or use, knew or had reason to know that his or her knowledge of the trade secret was:

(i) Derived from or through a person who had utilized improper means to acquire it;

show that the CSS trade secrets were improperly acquired and disclosed in the DeCSS program and that Bunner knew or should have known that the acquisition of the trade secrets was improper.<sup>48</sup>

### C. The First Amendment

Because the California Supreme Court assumed for the purposes of the appeal that there was trade secret misappropriation, the existence (or lack thereof) of the underlying trade secret was not at issue. Instead, the court's holding examined the interaction of trade secret law and the First Amendment.<sup>49</sup>

After affirming that computer code is speech for the purposes of the First Amendment, the court examined the level of scrutiny to be applied to the trial court's preliminary injunction.<sup>50</sup> To determine the appropriate level of scrutiny, courts distinguish between content and non-content based injunctions.<sup>51</sup> While content-based injunctions are subject to heightened scrutiny,<sup>52</sup> content-neutral injunctions receive a lower level of scrutiny.<sup>53</sup>

As applied to the facts of the case, the court found that the injunction was content neutral and would be subject to something less than heightened scrutiny.<sup>54</sup> The court reasoned, as discussed above, that since the underlying governmental purpose of the injunction was to protect the DVD-CCA's trade secrets, the incidental regulation of Bunner's speech remained content neutral.<sup>55</sup> The court determined that the governmental pur-

(ii) Acquired under circumstances giving rise to a duty to maintain its secrecy or limit its use; or

(iii) Derived from or through a person who owed a duty to the person seeking relief to maintain its secrecy or limit its use; or (C) Before a material change of his or her position, knew or had reason to know that it was a trade secret and that knowledge of it had been acquired by accident or mistake.

CAL. CIV. CODE § 3426.1(b).

48. *Bunner II*, 75 P.3d at 9-10.

49. *Id.* Bunner also asserted a right to free speech originating from the relevant provision of the California Constitution. *See* CAL. CONST. art. I § 2(a). The court concluded that these two rights were substantially coterminous. *Bunner II*, 75 P.3d at 19.

50. *Bunner II*, 75 P.3d at 10. For more information on the speech aspects of computer code, see generally Lee Tien, *Publishing Software as a Speech Act*, 15 BERKELEY TECH. L.J. 629 (2000).

51. *Bunner II*, 75 P.3d at 11.

52. *See* *Perry Educ. Ass'n v. Local Educators Ass'n*, 460 U.S. 37, 45 (1983).

53. *Bunner II*, 75 P.3d at 11 (citing *Madsen v. Women's Health Care*, 512 U.S. 753, 765 (1994)).

54. *Id.*

55. *Id.*

pose behind the injunction was the legitimate enforcement of trade secret law based on the assumption that a violation of the trade secret misappropriation statute had occurred.<sup>56</sup>

The court next applied the reduced scrutiny test for content-neutral injunctions outlined in *Madsen v. Women's Health Care*.<sup>57</sup> The *Madsen* test asks "whether the challenged provisions of the injunction burden no more speech than necessary to serve a significant government interest."<sup>58</sup> Based on the same considerations which the court used in finding the injunction content neutral, the court found that the injunction "achieve[d] the requisite balance and burden[ed] 'no more speech than necessary to serve' the government interests at stake."<sup>59</sup> In other words, the court found that the government interest in the enforcement of trade secrets was compelling since the prevention of dissemination is the only way to maintain secrecy.<sup>60</sup> In addition, the court ruled that the assumption of Bunner's actual or constructive knowledge of the improper acquisition of the CSS trade secrets precluded him from distributing the DeCSS program because such distribution would be contrary to the standard of commercial ethics promulgated by trade secrecy.<sup>61</sup>

The court also held that the CSS algorithm and DeCSS were not matters of public importance or public concern.<sup>62</sup> The court reasoned that since the information embodied in CSS and DeCSS was "only technical information . . . [and] only computer encryption enthusiasts [would be in-

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56. *Id.* at 9-10.

57. *Id.* at 13 (citing *Madsen*, 512 U.S. at 765).

58. *Madsen*, 512 U.S. at 765.

59. *Bunner II*, 75 P.3d at 13 (quoting *Madsen*, 512 U.S. at 765).

60. *Id.* at 13-14. The court did not address the government interests in protecting fair use, encouraging the free flow of ideas, ensuring access to personal property, promoting system interoperability, or any other interests on the side of disclosure. Instead, the court glossed over the analysis of the strength of the government interest and assumed that the only interest was in upholding the statute. *Id.* In *Madsen*, for example, the combination of government interests that the Court found compelling enough to enjoin speech were (1) protecting the freedom to obtain lawful medical and counseling services; (2) maintaining public safety and order; (3) promoting the uninhibited flow of traffic on public sidewalks and streets; (4) protecting the real property rights of citizens; and (5) assuring residential privacy. 512 U.S. at 767-68.

61. *Bunner II*, 75 P.3d at 14. The court's recitation of a "venerable standard of commercial ethics" is inapt as a reason for enjoining Bunner's constitutional free speech rights. *See id.* Bunner is not in competition with DVD-CCA, has no commercial obligation or relationship to them, and is not even engaged in commerce.

62. *Id.* at 15-16.

terested] in the *expressive* content,” the trade secrets were matters of a “purely private concern.”<sup>63</sup>

Finally, the court applied a prior restraint analysis to the facts of the case.<sup>64</sup> Prior restraint can occur when an order by a government authority forbids speech before the speech act has been committed.<sup>65</sup> After finding that the content-neutral nature of the injunction and the prior publication of DeCSS by Bunner combined to overcome “the heavy presumption against prior restraints,” the court distinguished a line of cases in which injunctions constituted prior restraints by relying on the assumptions made by the trial court.<sup>66</sup>

#### IV. INVALIDITY OF THE TRADE SECRET

The California Supreme Court’s opinion ultimately had little practical impact on the final disposition of the case. On remand, the court of appeal found that the DVD-CCA was unable to prove its trade secret case. On the other hand, the California Supreme Court’s exposition of the interplay between trade secrets and the First Amendment may have a more lasting impact.

##### A. The Lack of an Underlying Trade Secret

As suggested by Justice Moreno’s concurring opinion, the underlying trade secret claim asserted by DVD-CCA was “patently without merit.”<sup>67</sup> On remand, the court of appeal determined that the plaintiffs failed to establish a likelihood of prevailing on their trade secret claim.<sup>68</sup>

Courts generally treat the secrecy requirement as a relative concept requiring a fact-intensive analysis.<sup>69</sup> By the time the trial court entered the preliminary injunction, the DeCSS program and other similar descriptions of the CSS algorithm had been widely distributed throughout the world for several months via the Internet.<sup>70</sup> Any trade secret that DVD-CCA may

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63. *Id.* (emphasis original).

64. *Id.* at 17.

65. *Alexander v. United States*, 509 U.S. 544, 550 (1993).

66. *Bunner II*, 75 P.3d at 17-19.

67. *Id.* at 21 (Moreno, J., concurring). Justice Moreno, whose concurring opinion was the only one to address the issue, found as a matter of law that “DVD-CCA did not establish a likelihood of prevailing on its trade secret claim.” *Id.*

68. *Bunner III*, 10 Cal. Rptr. 3d 185, 196 (Cal. Ct. App. 2004), available at <http://www.courtinfo.ca.gov/opinions/documents/H021153A.PDF>.

69. *Id.* at 192 (citing 1 MILGRIM ON TRADE SECRETS § 1.07[2], 1-343, 1-352 (2003)).

70. *Bunner I*, 113 Cal. Rptr. 2d 338, 341 (Cal. Ct. App. 2001), *rev’d*, 75 P.3d 1 (Cal. 2003).

have enjoyed was destroyed when the information became widely available.<sup>71</sup> The court of appeal found on remand that there was no underlying trade secret since DeCSS was “available to anyone interested in obtaining [it].”<sup>72</sup> If the litigation were to proceed to a full trial on the merits, the result would likely be favorable to the defendants. Since there was no enforceable trade secret at issue here, DVD-CCA could not prevail under California trade secret law.<sup>73</sup>

## B. Dearth of Evidence of Misappropriation

In addition to the lack of a valid underlying trade secret, it is doubtful that misappropriation occurred.<sup>74</sup> Assuming that the CSS algorithm and master keys are protectable under California trade secret law, the defendants must have misappropriated these trade secrets to be liable.<sup>75</sup> Misappropriation occurs when one acquires, discloses, or uses a trade secret with knowledge or reason to know that the trade secret had been acquired by improper means.<sup>76</sup>

In California, reverse engineering is explicitly allowed under the trade secret statute; it is not an improper means.<sup>77</sup> The CSS algorithm and one master key were reverse engineered from a computer program for DVD

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71. “[O]nce the secret is out, the rest of the world may well have a right to copy it at will.” *Bunner II*, 75 P.3d at 26 (quoting *Underwater Storage, Inc. v. U.S. Rubber Co.* 371 F.2d 950, 955 (D.C. Cir. 1996)). Posting information to the Internet in a non-minimal fashion destroys any trade secrets that may have existed. *Id.* at 27-28 (Moreno, J., concurring); see also, *Religious Tech. Ctr. v. Netcom On-Line Communication Servs., Inc.* 923 F. Supp. 1231, 1256 (N.D. Cal. 1995); *Religious Tech. Ctr. v. Lerma*, 908 F. Supp. 1362, 1368 (E.D. Va. 1995); *Religious Tech. Ctr. v. F.A.C.T.NET, Inc.*, 901 F. Supp. 1519, 1527 (D. Colo. 1995).

72. *Bunner I*, 2004 WL 362414, at \*7.

73. See *Bunner II*, 75 P.3d at 28 (Moreno, J., concurring). Even though the DVD-CCA admitted the hopelessness of its trade secret case by asking for a voluntarily dismissal, they are now trying to achieve the same results using patents instead of trade secrets. John Borland, *New Lawsuit Targets DVD Copying*, CNET NEWS.COM, Feb. 13, 2004, at <http://news.com.com/2100-1025-5159279.html>. On February 13, 2004, the DVD-CCA filed a patent infringement lawsuit against 321 Studios, Inc. in the Federal District Court for the Southern District of New York. *Id.*

74. See *Bunner II*, 75 P.3d at 28 n.5 (Moreno, J., concurring). The court of appeal did not decide on remand whether or not DeCSS was created by improper means, but characterized the evidence presented by the DVD-CCA as “thin [and] circumstantial.” *Bunner III*, 10 Cal. Rptr. 3d at 194.

75. CAL. CIV. CODE § 3426.1 (West 1997).

76. *Id.* § 3426.1(b).

77. *Id.* § 3426.1(a) (“Reverse engineering . . . alone shall not be considered improper means.”).

playback made by Xing Technology Corporation.<sup>78</sup> According to the DVD-CCA's complaint, which the trial court accepted, Xing released its DVD player with a click-through license that prohibited reverse engineering.<sup>79</sup> Thus, the license purportedly prohibited reverse engineering, making the initial acquisition of the CSS trade secrets improper. This license, however, does not conform to California law.<sup>80</sup>

Furthermore, Bunner had no reason to know that the reverse engineering of the Xing DVD player was improper. Even if it is assumed that the click-wrap license prohibiting reverse engineering was valid under the law of the country where the reverse engineer lived and not contrary to public policy considerations in the United States, Bunner's actual and or constructive knowledge of the impropriety of the discovery of the trade secrets would still be in doubt. Bunner was not in privity with the original reverse engineers.<sup>81</sup> He was, in fact, far removed from the original act of reverse engineering and learned of the DeCSS program from a popular news site.<sup>82</sup> It seems unlikely that Bunner meets the threshold of knowledge requisite for misappropriation.<sup>83</sup>

Assuming that the original reverse engineer did click on a screen containing a license prohibiting reverse engineering, a trade secret misappropriation case could likely be made against him or her. Courts and commentators, however, have long recognized reverse engineering as an important counterbalance to the rights of trade secret owners.<sup>84</sup> If courts allow private contract to trump trade secret law and confer an exclusive

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78. *Bunner II*, 75 P.3d at 7. The identity of the reverse engineer is still unknown. See *supra* note 25.

79. *Id.* In actuality, Xing's DVD player software did not always include a click-through license. Defendant Andrew Bunner's Supplemental Responding Brief on Remand from the Supreme Court of California at 15, DVD Copy Control Ass'n v. Bunner, 10 Cal. Rptr. 3d 185 (Cal. App. 2004) (No. H021153) [hereinafter Bunner's Supplemental Responding Brief], [http://www.eff.org/Legal/Cases/DVDCCA\\_case/20031222\\_bunner\\_reply\\_brief.pdf](http://www.eff.org/Legal/Cases/DVDCCA_case/20031222_bunner_reply_brief.pdf). For example, Xing sold its player to OEMs who pre-installed the software on systems. *Id.* A consumer who purchased such a computer would never have been presented with a click-through license. In addition, the anonymous reverse engineer probably did not even have a legal copy of the Xing program. Bing, *supra* note 25, at 10. Since the identity of the reverse engineer is not known, it is not possible to know if he or she ever clicked on a license agreement. *Id.*

80. CAL. CIV. CODE § 3426.1(a) (stating that "[r]everse engineering or independent derivation alone shall not be considered improper means").

81. *Bunner II*, 75 P.3d at 26 (Moreno, J., concurring).

82. *Id.* at 7.

83. See *Bunner III*, 10 Cal. Rptr. 3d at 194.

84. See generally Pamela Samuelson & Suzanne Scotchmer, *The Law and Economics of Reverse Engineering*, 111 YALE L.J. 1575 (2002).

right to prevent the reverse engineering of legitimately purchased goods by one who is under no special obligation to the trade secret holder, this balance is thrown askew.<sup>85</sup> A full exploration of this contract issue is beyond the scope of this Note, but even if there is a case against the original reverse engineer, Bunner did not have the knowledge of improper means required for trade secret misappropriation and he is under no circumstances bound by this assumed click-wrap license since he never clicked on it.

On the other hand, the DVD-CCA may be able to successfully assert the anti-circumvention provisions of the DMCA to achieve the same results as were sought in this case.<sup>86</sup> Given the outcome of similar litigation in the Second Circuit, such claims appear stronger.<sup>87</sup>

## V. ANALYSIS OF THE TENSION BETWEEN THE FIRST AMENDMENT AND TRADE SECRETS

In the course of its First Amendment analysis, the court ruled that there was no public interest at stake in the DeCSS source code or any CSS related trade secrets.<sup>88</sup> The court characterized the alleged trade secrets in

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85. *See, e.g.*, *Vault Corp v. Quaid Software, Ltd.*, 847 F.2d 255, 269-70 (5th Cir. 1988); *Bunner II*, 75 P.3d at 28 (Moreno, J., concurring); Samuelson & Scotchmer, *supra* note 84, at 1660. According to the Intellectual Property Clause, U.S. CONST. art. I, § 8, cl. 8, patent law is the only way to grant a statutory monopoly that prohibits the right to engage in reverse engineering. *See Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 480 U.S. 141, 155 (1989). The court of appeal reserved the question of whether the injunction violated the Intellectual Property Clause since they found the injunction invalid on other grounds. *Bunner III*, 10 Cal. Rptr. 3d at 196..

86. *Bunner II*, 75 P.3d at 29 (Moreno, J., concurring).

87. *See Universal Studios, Inc. v. Corley*, 273 F.3d 429, 459 (2d Cir. 2001) (upholding an injunction against the publication of DeCSS under the DMCA). Early in 2004, the DVD-CCA filed new litigation related to CSS. Instead of asserting a trade secret in CSS or using the anti-circumvention provisions of the DMCA as was done in *Corley*, the DVD-CCA is trying to use patent law to stop the sale of DVD copying software. *See Borland, supra* note 73.

88. *Bunner II*, 75 P.3d at 16. Ed Felten, a professor of computer science at Princeton University, is one of many commentators to disagree with the court's handling of the public concern distinction:

Information about Enron's finances is of public concern, even though only accountants can interpret it in its raw form. Information about the Space Shuttle wing structure is of public concern, even though only a few engineers understand it fully. CSS is a controversial technology, and information about how it works is directly relevant to the debate about it. True, many people who are interested in the debate will have to rely on experts to explain the relevant parts of DeCSS to them; but the same is true of Enron's accounting or the Shuttle's engineering.

CSS and DeCSS as “matters of *purely* private concern and not matters of public importance.”<sup>89</sup>

To the contrary, there has been immense public interest and concern regarding DeCSS and the CSS algorithm.<sup>90</sup> Furthermore, previous cases where courts have found that public concern existed in the disclosure of misappropriated trade secrets or other illegally obtained information demonstrate that the court’s formulation and application of the public concern doctrine was incorrect.<sup>91</sup>

### A. The Court’s Public Concern Test

The court based its examination of the public concern question on the “content, form, and context of a given statement, as revealed by the whole record.”<sup>92</sup> To apply this standard to the facts of the case, the court fashioned an implicit ad hoc test.<sup>93</sup> Without citing any authority for its rule,<sup>94</sup> the court suggested that a proper evaluation of whether a misappropriation meets the above criteria consists of two questions.<sup>95</sup> First, is the content of the trade secret technical or expressive as viewed by the general public?<sup>96</sup> Second, does the act of misappropriation alone comment on a public issue or debate?<sup>97</sup>

The court resolved the first question in the negative, holding that CSS and the related trade secrets were purely technical in the eyes of the general public and discounted the importance of the expressive nature of the information as viewed by “computer encryption enthusiasts.”<sup>98</sup> The court also answered the second question in the negative, holding that Bunner

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Odder still, in my view, is the notion that because DeCSS is directly useful to members of the public, it is somehow of less public concern than a purely theoretical discussion would be. It seems to me that the First Amendment protects speech precisely because the speech may have an effect on what people think and how they act. To suppress speech because of its impact seems to defeat the very purpose of the free speech guarantee.

Edward W. Felten, *Freedom to Tinker, Trade Secrets and Free Speech* (Aug. 26, 2003), at <http://www.freedom-to-tinker.com/archives/000428.html>.

89. *Bunner II*, 75 P.3d at 16.

90. *See infra* note 102.

91. *See infra* Part V.4.

92. *Bunner II*, 75 P.3d at 16 (quoting *Connick v. Myers*, 461 U.S. 138, 147-48 (1983)).

93. *See id.* at 15-16.

94. *See id.*

95. *Id.*

96. *Id.*

97. *Id.* at 16-17.

98. *Id.* at 15-16.

was not commenting on a public issue or participating in a public debate by posting DeCSS.<sup>99</sup> These questions and answers suggest that the court's focus was on the method of Bunner's speech and the public's ability to understand that speech.<sup>100</sup> Indeed, under this standard, the posting of any technical information that is not readily understood by the general public would likely be considered to be of a "purely private concern."<sup>101</sup>

## B. The Public Interest in DeCSS

There has been robust worldwide public interest and concern in the source code for DeCSS and related programs and in the underlying algorithm.<sup>102</sup> The court of appeal acknowledged that "the initial publication [of DeCSS] was quickly and widely republished to an eager audience."<sup>103</sup> The court also traced public discussion and interest in CSS as far back as July of 1999, before DeCSS was even released.<sup>104</sup> Further indications of the public interest include the mainstream popularity of DeCSS and related programs, the academic interest in the underlying CSS algorithm, and the campaign of civil disobedience generated by the DVD-CCA's lawsuit.

The ubiquity and availability of something can be a useful gauge of public interest in that thing. The CSS algorithm is included on every DVD-Video compatible player and the valid player keys are included on every DVD-Video disc that is sold.<sup>105</sup> As discussed above, DVDs and DVD players are relatively easy to reverse engineer and use.<sup>106</sup> Furthermore, CSS, DeCSS, and other programs that function like DeCSS have been extensively distributed and are freely available over the Internet, in

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99. *Id.* at 16-17.

100. *See id.* at 15-17.

101. *See id.* at 16 ("Disclosure of this highly technical information adds nothing to the public debate . . .").

102. *Bunner III*, 10 Cal. Rptr. 3d 185, 189 (Cal. Ct. App. 2004). Such interest is manifested in the many websites that provide DeCSS, the many creative ways that people have used DeCSS to generate expression, and the publication of the DeCSS algorithm in many trade and mainstream publications. *See* discussion and footnotes *supra* Part II.

103. *Bunner III*, 10 Cal. Rptr. 3d at 194.

104. *Id.* at 193.

105. Bunner's Supplemental Responding Brief, *supra* note 79, at 7-12. The number of DVD players (hardware) and DVD discs (software) sold to the general public is in the millions. *Id.* This hardware and software was sold to consumers without any kind of end user licensing restriction or effective technological protection measure. *Id.*

106. *See supra* Part II.

print publications, and even on tee shirts.<sup>107</sup> For an alleged trade secret, CSS and its keys are particularly widespread and accessible.<sup>108</sup>

Another indicator of public interest in a topic is related academic study and research. The CSS algorithm has been the subject of computer science courses and technical papers.<sup>109</sup> These activities depend on the availability of this information to the public. There are also many public policy goals that were met by the disclosure of CSS and the creation of the DeCSS program.<sup>110</sup> It is difficult to understand why the Supreme Court of California was so reticent to acknowledge the deep interest of the academic community and the public at large in DeCSS.

In addition to mainstream popularity and academic interest, the campaign of civil disobedience that arose in response to the lawsuit also demonstrates the public concern that exists in CSS and DeCSS. Many people were outraged by the DVD-CCA's decision to sue everyone who posted or linked to DeCSS.<sup>111</sup> These people channeled their outrage into an organized campaign of civil disobedience.<sup>112</sup> Tactics used included spreading DeCSS as widely as possible before trial and refusing to remove DeCSS from websites.<sup>113</sup> Other people came to the courthouse and distributed disks and fliers containing the source code of DeCSS, while still others made and distributed DeCSS tee shirts with the source code written on the back.<sup>114</sup> This campaign of civil disobedience shows the intense public interest in DeCSS and related programs and further belies the court's holding.

### C. Recent Prior Restraint Cases

There is a long history of courts upholding the First Amendment right to publish lawfully acquired information which was initially misappropriated by a third party. Supreme Court decisions such as the Pentagon Papers case (*New York Times Co. v. United States*)<sup>115</sup> and *Bartnicki v. Vop-*

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107. *Bunner III*, 10 Cal. Rptr. 3d at 190; see *supra* note 32.

108. On the other hand, as shown by the discussion above, there is likely no longer any valid trade secret in CSS. See *supra* notes 67-73 and accompanying text.

109. See, e.g., Declaration of Computer Scientist Gregory Kesden at 2-3, DVD Copy Control Ass'n v. McLaughlin (Cal. Super. Ct. Nov. 28, 2001) (No. 1-99-CV-786804) (describing a computer science course using CSS keys and algorithms), [http://www.eff.org/IP/Video/DVDCCA\\_case/20011128\\_kesden\\_decl.html](http://www.eff.org/IP/Video/DVDCCA_case/20011128_kesden_decl.html); Stevenson, *supra* note 20 (an in-depth technical look at the CSS algorithm); Parviainen, *supra* note 21.

110. See discussion *supra* note 60.

111. *Bunner III*, 10 Cal. Rptr. 3d at 189-91.

112. *Id.* at 190.

113. *Id.*

114. *Id.* For more creative embodiments of DeCSS, see *supra* note 32.

115. 403 U.S. 713 (1971) (per curiam).

*per*,<sup>116</sup> although not strictly trade secret misappropriation cases, are useful in understanding the dynamics of publishing factually correct information that was initially obtained by the illegal activity of a third party.<sup>117</sup>

The Pentagon Papers case concerned the publication of classified government documents about the Vietnam War stolen from the U.S. Department of Defense.<sup>118</sup> *The New York Times* and *The Washington Post* received the documents from Daniel Ellsberg, who had stolen them while working at the Rand Corporation and had directly contacted the newspapers about getting papers published.<sup>119</sup> In a *per curiam* opinion, the Supreme Court ruled that the *Times* and the *Post* should not be enjoined from publishing the documents.<sup>120</sup>

As in the Pentagon Papers case, the information at issue in *Bartnicki v. Vopper* was illegally obtained by a third party.<sup>121</sup> In *Bartnicki*, the cell phone conversation of two members of a teacher's union was intercepted and recorded by an anonymous person.<sup>122</sup> The conversation, which had to do with contentious collective-bargaining negotiations the union was engaged in, was later replayed on Vopper's radio show despite his knowledge that the tape had been illegally obtained.<sup>123</sup> The Supreme Court ruled that the First Amendment allowed the on-air publication of the conversation since it was "newsworthy."<sup>124</sup>

The court in *Bunner* made much of what it characterized as the United States Supreme Court's decision to "expressly decline[] to extend *Bartnicki* to 'disclosures of trade secrets or domestic gossip or other information of purely private concern.'"<sup>125</sup> This characterization is not only misleading, it is also incorrect. First, the court uses this out of context quote to support the unstated proposition that all trade secrets are of a *purely pri-*

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116. 532 U.S. 514 (2001).

117. See Pamela Samuelson, Resolving Conflicts Between Trade Secrets and the First Amendment 22 (Mar. 20, 2003) (working draft), available at <http://www.sims.berkeley.edu/~pam/papers/TS%201st%20A%203d%20dr.pdf>.

118. *Times*, 403 U.S. at 714. The study was called "History of U.S. Decision-Making Process on Viet Nam Policy." *Id.*

119. Samuelson, *supra* note 117, at 22.

120. *Times*, 403 U.S. at 714.

121. *Bartnicki*, 532 U.S. at 517.

122. *Id.* at 518-19.

123. *Id.* at 519.

124. *Id.* at 525. In the opinion the court equates matters of public concern with those matters that are newsworthy. See *id.* This formulation of the public concern doctrine is different from that of the *Bunner* court. See *supra* section V.1.

125. *Bunner II*, 75 P.3d 1, 15 (Cal. 2003) (quoting *Bartnicki*, 532 U.S. at 533) (emphasis omitted).

vate concern.<sup>126</sup> This proposition is not only ludicrous, it is also contrary to case law. When examined in the context of the decision, the *Bartnicki* Court was only illustrating possible examples of situations where there might be no public interest in the disclosure of information. Although some trade secrets may be of a purely private nature, many trade secrets implicate public concern in at least some minimal amount. Second, the reason the Court did not extend *Bartnicki* to cover matters of even purely private concern, a standard so broad that it would render disclosure of *any* information permissible, was that the facts of *Bartnicki* presented at least a modicum of public interest. Therefore, the issue was not properly before the Court to begin with.

#### D. Public Concern in Other Trade Secret Cases

Other courts have ruled against enjoining the publication of misappropriated trade secrets on First Amendment grounds. The underlying trade secrets in these cases are, perhaps with the exception of *CBS, Inc. v. Davis*, of less public concern than the CSS trade secrets at issue in *Bunner*.<sup>127</sup>

In *Proctor & Gamble Co. v. Bankers Trust Co.* the Sixth Circuit ruled that both a temporary restraining order and a permanent injunction issued against *Business Week* magazine were unconstitutional prior restraints on speech.<sup>128</sup> The trade secrets at issue there were confidential business documents that the magazine knew or had reason to know had been leaked by one of the parties involved in separate commercial litigation in viola-

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126. *Id.* at 15 (characterizing all trade secrets as purely private information and not matters of public concern).

127. *CBS, Inc. v. Davis*, 510 U.S. 1315 (1994) (Blackmun, Circuit Justice). In *Davis*, Justice Blackmun, writing as Circuit Justice, stayed a preliminary injunction against CBS that allegedly would have revealed the trade secrets of Federal Beef Processors, Inc. *Id.* at 1318. Justice Blackmun decided that the underlying trade secrets in the case, the "confidential and proprietary practices and processes" employed at the Federal Beef meat processing plant could not overcome the strong prohibitions against prior restraints. *Id.* at 1317-18. He did not feel that Federal Beef had the burden of asking for a preliminary injunction even though it had shown that it faced "significant economic harm" and that CBS had engaged in "calculated misdeeds." *Id.* at 1318. Therefore, Justice Blackmun did not need to characterize the nature of the public interest at stake in the case. Arguably, however, the public interest in *Davis*, that of public health with respect to the sanitary practices of the meat processing industry is greater than that present in *Bunner*.

128. 78 F.3d 219 (6th Cir. 1996). The court found that "the private litigants' interest in protecting their vanity or their commercial self-interest simply does not qualify as grounds for imposing a prior restraint." *Id.* at 225. Instead, the court held that a prior restraint on pure speech could only be justified if the "publication . . . threaten[s] an interest more fundamental than the First Amendment itself." *Id.* at 227.

tion of a discovery order.<sup>129</sup> The public concern or interest in these “standard litigation filings”<sup>130</sup> is likely much less than that present in *Bunner*. Indeed, there is no record of any organized civil disobedience accompanying the *Proctor & Gamble* trial.

Another case where an injunction was struck down as a prior restraint despite an underlying trade secret with little public interest is *State of Oregon ex rel. Sports Management News, Inc. v. Nachtigal*.<sup>131</sup> In that case, the Oregon Supreme Court overturned a preliminary injunction against a weekly sports trade newsletter issued on behalf of Adidas America, Inc.<sup>132</sup> The underlying trade secret was the design of a new tennis shoe.<sup>133</sup> Surely this is of less public interest than the technology that prohibits the play-back of purchased DVDs on non-approved devices. The latest model of tennis shoes does not inspire hundreds of thousands of websites, coverage by mainstream press, or new courses in colleges and universities.

A third case where an injunction was struck down despite a trade secret of less public concern than *Bunner* was *Ford Motor Co. v. Lane*.<sup>134</sup> In that case the district court overturned a preliminary injunction which had been issued against a website operated by Robert Lane.<sup>135</sup> The court decided that the posting of the misappropriated trade secrets could not be enjoined since it constituted a prior restraint on speech.<sup>136</sup> The misappropriated trade secrets in this case were internal Ford documents such as “Powertrain Council Strategy & Focus” and a paper concerning quality issues regarding the Ford Mustang Cobra engine.<sup>137</sup> The public interest in such documents is much less than the trade secret in *Bunner*. Papers concerning the quality of a Ford Engine do not inspire poetry and Powertrain Council Strategy & Focus is not reproduced on mass-marketed tee shirts.

Although these courts did not need to rely on the public concern doctrine to find that the speech at issue could not be enjoined, applying the

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129. *Id.* at 222-23.

130. *Id.* at 225.

131. 921 P.2d 1304 (Or. 1996).

132. *Id.* at 1310. The court based its finding of a prior restraint on the relevant portions of the Oregon Constitution. *Id.* at 1307-08. Although the court did not decide if the free speech guarantees in the Oregon Constitution were co-terminus with those of the First Amendment, the analysis made by the court was conceptually similar to that of a classic First Amendment prior restraint. *Id.*

133. *Id.* at 1305-06.

134. 67 F. Supp. 2d 745 (E.D. Mich. 1999).

135. *Id.* at 754.

136. *Id.* at 753. The court was not persuaded by “Ford’s commercial interest in its trade secrets and Lane’s alleged improper conduct in obtaining the trade secrets.” *Id.*

137. *Id.* at 747.

test crafted by the Supreme Court of California to these examples would require the opposite outcome in each. This inconsistency is further evidence that the test created by the *Bunner* court is not workable.

## VI. CONCLUSION

*DVD Copy Control Ass'n v. Bunner's* holding, while narrow, has implications for trade secret law in California and the exercise of free speech rights. While these changes affect holders of trade secrets and people who wish to engage in speech related to such "secrets," the opinion of the court of appeal on remand indicates that Bunner and his co-defendants likely stand a good chance of winning on the merits. On the other hand, the court's formulation and application of the public concern doctrine suggests that the threshold for finding trade secrets and technical information to be of public concern in California is very high. Thus, the *Bunner* court has created an unresolved tension between trade secret jurisprudence and the First Amendment.