



Trade Secrets & Confidential Information

PennWell Publishing v Isles: Contact Lists and e-mail address books—employer or employee property?

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PennWell Publishing (UK) Limited (PennWell) provides publishing and conference services to businesses. PennWell brought an action against four Defendants, the first three of whom were former employees of PennWell, the fourth Defendant was a company set up in 2005 by the second and third Defendants.

The action centred on various issues including breach of contracts of employment, breach of fiduciary duties and breach of confidentiality. By the time of the trial, the cases against the first, second and fourth Defendants had been settled, with only the action against the third defendant remaining. The most important issue at stake in the case was whether, by copying a list of contacts prior to leaving PennWell, the third Defendant (Mr Isles) had taken confidential information or otherwise misappropriated property from the company.

Mr Isles was a journalist who had worked at PennWell for a period of nine years. During this time, he had compiled a list of contacts that was stored electronically on PennWell's e-mail system and backed up as a matter of routine by PennWell's computer systems. Mr Isles kept no other record of his list of contacts. The list of contacts contained the details of individuals and companies he had met prior to joining PennWell, personal contacts such as family members and contacts made during and as a result of his employment with PennWell. This amounted to a total of 1,650 entries. After Mr Isles left PennWell, the list was deleted from PennWell's computers as part of a routine clean-up of redundant computer equipment, and PennWell did not retain a copy of the list.

The case revolved around whether the contact list belonged to PennWell, Mr. Isles, or both. Ultimately, the Judge, Mr Justin Fenwick QC, sitting as a deputy judge of the Queen's Bench Division, ruled that the list was the property of PennWell, but his basis for doing so is not entirely clear.

PennWell asserted that the list was confidential information, and this appears to have been accepted by Mr Isles. Consequently, it is not clear why there was any issue over the status of the list as confidential information. Nevertheless, the Judge decided that the list was not confidential information, based in part on the fact that PennWell had not addressed the importance, or best use of contact information retained by its executives, as shown by the fact that the list was not preserved on Mr Isles' departure from PennWell

There was also the possibility of the list being a "database" either under copyright or the *sui generis* database right. Apparently these arguments were raised (surprisingly) late in the case, and were therefore the subject of written submissions after the completion of oral argument. The Judge found that he was not required to decide whether the contact list would constitute a copyright based database, although he stated in passing that he was far from persuaded that the list would qualify as such a database. The Judge nevertheless appeared to accept that the list could constitute a database as per the database right, although this was not explicitly stated. However, the Judge did not appear to attach any great significance to this, as he did not believe this "changed the position under general law".

Ultimately, the fact that the list was created and stored on PennWell's computer systems was determinative. The Judge concluded that, as a general principle, when an address list is contained on a computer programme forming part of an employer's e-mail system, and backed-up by the employer, that list will belong to the employer. Consequently, PennWell was entitled to retain the database and would, in theory, have been entitled to a permanent injunction preventing Mr Isles's use of it, with the exception of individual parts of its contents known to Mr Isles by other means. However, a concession made by PennWell and accepted by the Judge provided Mr Isles with the limited relief that he may continue to retain those parts of the list relating to contacts obtained prior to his employment by PennWell. The Judge felt this relief was appropriate, given that PennWell had not adequately communicated their policy concerning company property and computer systems to Mr Isles.

In conclusion, this case highlights the importance to companies of adequately communicating to employees the policy pertaining to the computer systems and the ownership of data stored on them. In contrast, employees wishing to maintain and utilise a list of contacts after their employment should maintain this list separately, rather than on an employer's computer systems. However, the issues relating to property arising out of this judgment are not entirely clear, and even if no appeal is raised from this case, further guidance on these issues from the Court of Appeal would be desirable.

Copyright & Design

Imported flashing novelty badges found to infringe

In *Flashing Badge Co Ltd v Brian David Groves (trading as Flashing Badges by Virgo and Virgo Distribution)* [2007] EWHC 1372 (Ch), the Claimant commissioned a graphic designer to design a number of novelty badges containing flashing LEDs. The drawings included the shape of the badge as well as the image to be placed on the badge and specified the positions of the LEDs. The Defendant imported virtually identical copies of the badges from China for sale to the public in the United Kingdom. A key feature of the design was that the shape of the badge followed the image on the face of the badge. The badges came with backing cards providing instructions for use that were virtually identical copies of the Claimant's backing cards. The Claimant asserted copyright in both the badge designs and the backing cards.

The Defendant admitted copyright infringement in respect of the backing cards. However, with respect to the badges, the Defendant argued that they fell within the exemption to copyright infringement under s. 51(1) of the Copyright, Designs and Patents Act 1988. This provision states that "it is not an infringement of any copyright in a design document ... for anything other than an artistic work or a typeface to make an article to the design or to copy an article made to the design". The definition of "design" in this Section does not include surface decoration. It was not disputed that the image on the face of each badge was an artistic work in which copyright subsisted. The importer argued that the drawings on the face of the badges were actually designs for an article other than an artistic work, namely a badge, so the s. 51(1) exemption applied.

The judge held that the graphic designer's drawings were design documents, with each drawing constituting both a design for an artistic work (on the surface of the badge) and a design for an article that was not an artistic work (the shape of the badge) that had the same outline shape as the surface artistic work. The question was therefore whether the image on the surface of the badge could be considered separately to the design for the shape of the badge. If it was merely "surface decoration", then the s. 51(1) defence would apply to the entire

article. However, the judge considered that, if the surface design was akin to a picture or logo, which was separate to the shape design, if it were applied to anything other than a badge it would enjoy copyright protection. Copyright therefore subsisted in the surface design for the badges, and that copyright had been infringed by the Defendant.

Patents

Are gaming systems patentable subject matter?

In the recent case of *IGT v The Comptroller General of Patents* [2007] EWHC 1341 (Pat), International Game Technology (IGT) appealed against a decision dated 27 July 2006 of Mr AC Howard, the Hearing Officer, on behalf of the Comptroller-General of Patents. Four patent applications (the Applications) relating to gaming systems were considered collectively in this decision. The Applications were refused by virtue of s. 1(2)(c) Patents Act 1977—which reflects Article 52(2)(b) of the European Patent Convention (EPC)—on the basis that the claimed inventions were schemes, rules and methods for playing games, as such.

The Court recalled the approach developed by the Court of Appeal in *Aerotel* ([2006] EWCA Civ 1371) which interpreted Articles 52(2) and (3) EPC. In *Aerotel*, Jacob LJ made some important observations about computer programs. He speculated that there were two views. The narrow view considers computer programs as simply a set of instructions, an abstract thing. The wider view, which was applied in this case, is that computer programs encompass the instructions on some form of media (hardware, for example) that cause a computer to execute the program.

To assess whether the subject matter was patentable the Court followed the *Aerotel* four-step test: (i) properly construe the claim; (ii) identify the contribution; (iii) consider whether it falls within the excluded subject matter; and (iv) check whether said contribution is technical in nature. In *Aerotel*, the appeal was finally allowed and the patent reinstated because the Court of Appeal considered that there was more than just a method of doing business as such, since it considered the physical combination of hardware.

In the instant case, the Court considered whether the contribution in all Applications resided in new software. In other words, was the contribution implemented solely by software? The appellant submitted that what was claimed constituted "an architecture" of software and hardware as in *Aerotel*. However, this was contested by the respondent, arguing that there was no combination of hardware but, rather, it was solely new software that was claimed. This view was shared by the Court. The main question at hand therefore was not whether the contribution was technical, but whether it lay in an excluded subject matter area. IGT, in this regard, submitted

that the claimed inventions were technical gaming tools and not gaming rules as such. All the Applications concerned methods and apparatus to be used in the context of gambling games and the main feature of the inventions was to provide an enhanced way of achieving a proportionate payout.

The Court did not accept the Appellant's submission that a system of linked gaming machines was technical in itself and therefore did not consider the claimed inventions as tools for playing games, but rather as ways of operating a game. Thus, by applying the *Aerotel* four-step test, they were excluded from patentability as they fell within the excluded subject matter and, in any case, were devoid of any technical contribution.

On those grounds the Court shared the Comptroller-General's view and dismissed IGT's appeal as all Applications were excluded from patentability pursuant to Article 52(2) EPC.

Can foreign and international laws affect domestic patent cases?

In *Pozzoli SpA v BDMO SA and Moulage Industriel de Perseigne SA* [2007] EWCA Civ 588, the Claimant invoked the WTO-TRIPS Agreement in order to claim an automatic right to a full hearing appeal.

Pozzoli SpA (Pozzoli) is the proprietor of European patent EP (UK) 0676763, concerning a container for the storage of multiple discs such as CDs. Pozzoli was of the opinion that designs by both Defendants infringed its patent, and brought the case before the UK High Court, [2006] EWHC 1398 (*Pat*). In those proceedings, the Defendants questioned the patent's validity on the grounds of obviousness and held that their designs were non-infringing. After having constructed the patent's claims, Lewison J concluded that the Defendants' products did not infringe the patent. To make matters worse for Pozzoli, Lewison J, applying the *Windsurfing* approach, [1985] FSR 59, agreed with the Defendants on obviousness and ruled that the claim was invalid.

Pozzoli pursued the case to the Court of Appeal, where it sought permission to appeal the High Court's decision on invalidity. If that appeal succeeded, Pozzoli intended to appeal the decision on non-infringement.

Pozzoli argued that the appeal should be allowed because Article 32 of the TRIPS Agreement stipulates that: "[a]n opportunity for judicial review of any decision to revoke or forfeit a patent shall be available". From these words, Pozzoli concluded that the provision should be interpreted in such a way that a full judicial hearing on the merits was required and a preliminary screening of cases to reject cases with no real prospect of success was not sufficient. In his judgment, Jacob LJ swiftly dealt with this argument by ruling that a decision by

a Court of Appeal judge in respect of whether an appeal is allowed qualified as a judicial review in the light of Article 32 TRIPS.

However, permission to appeal the invalidity decision was granted as a result of Pozzoli's full argument on validity. Jacob LJ stressed that, ideally, a trial judge should grant permission to appeal in patent cases unless the case is so straightforward that it can be understood in "an hour or so" or there is no real prospect of success.

The Court of Appeal therefore heard Pozzoli's appeal in relation to invalidity. Obviousness was again determined according to the *Windsurfer* test but, this time, a slightly restated version. This was: (i) identify the skilled person and identify the common general knowledge of that person; (ii) identify the inventive concept of the claim; (iii) identify the differences between the prior art and inventive concept of the claim or, if that cannot be done, construe it and determine whether those differences can be overcome in an obvious manner or require inventiveness. Following these steps, Jacob LJ concluded that the product was too close to its prior art and lacked inventiveness, so the trial judge's findings remained untouched.

Although the patent was no longer valid, Jacob LJ dealt with the infringement issue briefly. After quoting the Tribunal de Grande Instance de Rennes (non-infringement) and the Landsgericht in Düsseldorf (infringement), Jacob LJ constructed the claim and concurred with Lewison J in his conclusion that the Defendants' product did not infringe Pozzoli's patent.

Trade Marks

Limonchelo v Limoncello: A sour taste for Shaker

On 12 June 2007, the European Court of Justice (ECJ) confirmed, in *OHIM v Shaker di L. Laudato & C. Sas*, (Case C-334/05 P) that the likelihood of confusion between two marks should be assessed globally, taking into account the overall impression given by them to the average consumer. Shaker applied to register, as a Community trade mark, a figurative sign, containing the words "Limoncello della Costiera Amalfitana" and "Shaker" and the representation of a round dish decorated with lemons:



However, the proprietor of the earlier Spanish word mark “Limonchelo” opposed that registration with reference to lemon liqueurs from the Amalfi Coast in Class 33. After concluding that there was a likelihood of confusion by virtue of Article 8(1)(b) of the Trade Mark Regulation (EC No 40/94), the OHIM Opposition Division refused registration and the Board of Appeal upheld the decision.

Shaker appealed to the Court of First Instance (CFI), which found that, although the goods concerned were identical, there was not a sufficiently high degree of similarity between the trade marks in question. Since the representation of the round dish was the dominant component of the later mark, it had nothing in common with the earlier trade mark, which was purely a word mark. Thus, even if the Court confirmed that the global assessment of the likelihood of confusion should be based on the overall impression created by the signs at issue, it held that in the case of a complex mark, which was visual in nature, assessment must be carried out on the basis of a visual analysis. Consequently, it found it unnecessary to examine the visual, phonetic or conceptual similarity of the words “limoncello” or “limonchelo” in the trade marks.

On appeal, however, the ECJ set aside the judgment and referred the case back to the CFI for a new hearing on the basis that the latter had failed to carry out a global assessment of the likelihood of confusion of the marks at issue. The ECJ stated that the assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another. The ECJ also stressed the importance of examining each of the marks in question as a whole.

The case confirms that the likelihood of confusion between a word mark and a complex word and figurative mark should be globally assessed. The perception of the marks by the average

consumer is a decisive factor in the global appreciation, because a mark is usually perceived as a whole and does not get analysed in its various details. Nevertheless, the ECJ recognised that in certain circumstances the overall impression conveyed to the relevant public by a composite trade mark may be dominated by one or more of its components. This could happen only if all the other components of the mark were negligible, such that the assessment of the similarity can be carried out solely on the basis of the dominant element. In any case, the determination of the existence or not of a dominant component appears to be crucial.

Comparative advertising and freedom of expression

The Court of Appeal has recently considered the overlap between trade mark infringement, comparative advertising and the right to freedom of expression, in the case of *Boehringer Ingelheim Limited & Ors v Vetplus Limited* [2007] EWCA Civ. 583.

Both parties to the action made a nutritional supplement for dogs, *Boehringer* under the name of *SERAQUIN* and *Vetplus* under *SYNOQUIN*, both of which claimed to contain the chemical chondroitin. *Vetplus* conducted a test on *Boehringer*'s product to confirm that the amount of chondroitin claimed on its label was correct, but found that it did not in fact contain any chondroitin. *Vetplus* threatened to publish a comparative advertisement setting this out and *Boehringer* sought an interim injunction against it. Mr Justice Pumfrey refused to grant one.

Boehringer had attacked the advertisement as being libellous and containing a malicious falsehood. However, there is a clear rule in English law against restraining allegedly defamatory publications, in the interests of free speech, unless the statement is obviously untruthful *Bonnard v Perryman* [1891] 2 Ch 269 and *Bestobell v Bigg* [1975] FSR 421). *Boehringer* acknowledged this and the Court held it as meaning that *Boehringer* could not challenge the honesty of the advertisement prior to trial.

Instead, *Boehringer* argued that the use of its registered trade marks *SERAQUIN* and *BOEHRINGER* in the advertisement was an infringement of those marks, and the rule against prior restraint did not apply to interim injunctions for infringement. Rather, the ordinary “are damages an adequate remedy/balance of convenience” test from *American Cyanamid* applied. *Vetplus* disagreed.

The Court of Appeal therefore had to consider which of three possible approaches to the question of restraining the publication of the advertisement by interim injunction was the appropriate one in these circumstances: (i) is the advertisement protected by the rule against prior restraint in defamation cases?; (ii) is it protected by the right to freedom of expression

under the Human Rights Act 1998?; or (iii) do the normal rules of *American Cyanamid* apply?

The Court considered first whether Vetplus' use of the marks would be infringing, even though it was using Boehringer's mark to refer to genuine Boehringer products. This was the case in *O2 Holdings Limited v Hutchison 3G* [2006] EWCA Civ.1656, and although the question of whether such use affected the essential function of the mark had not yet been answered by the European Court of Justice (ECJ), the law, for the time being, remained that such use was an infringement. This then raised the question of whether there was a defence, and the Court ruled that there was if the statement was true. Otherwise, it would be misleading and Boehringer would be entitled to be compensated. This was the case even if Vetplus honestly believed it was true.

The Court then moved on to consider whether the rule against prior restraint applied to trade mark infringement through comparative advertisements. Vetplus suggested that infringement was only being raised by Boehringer as a way around the rule and therefore freedom of speech should still triumph. Whilst the Court accepted the general principle that the rule against prior restraint should not be easily circumvented, it did not accept that a claim of trade mark infringement was the equivalent of a claim to protect the owner's reputation. The former was a property right, and no other property rights had been curtailed by the rule. Further, free speech was not an absolute bar to prior restraint, and so could be restricted in appropriate circumstances. Comparative advertising was an issue which involved many more complex principles than just free speech, and so should not be thought of simplistically or narrowly. For all these reasons, the Court held that the rule against prior restraint did not extend to trade mark infringement, such that the comparative advertiser would generally have to be able to show some justification for his allegedly infringing advertisement.

However, this did not mean that the ordinary "balance of convenience" test was the right one to apply in these circumstances. The very nature of comparative advertising engaged the right of freedom of expression, which meant that the Court had to consider the principles set out in the Human Rights Act 1998. Under s. 12(3) and its subsequent interpretation by the House of Lords in *Cream Holdings v Banerjee* [2005] 1 AC 253, a court may not grant relief which may affect the exercise of the right of freedom of expression through restriction of publication before trial, unless the court is satisfied that the publication is likely to be disallowed at trial. Thus, for a court to order that a comparative advertisement should be restrained before trial, it must be satisfied that it is likely that the advertisement could not be justified under the relevant rules at trial. Unless the trade mark owner can show that the advertisement of the competitor is, or is highly likely to be found to be, wrong and misleading, the competitor, for

commercial as well as public interest reasons, should have the freedom of expression with regard to the advertisement and the owner will not be entitled to a prior restraining order.

There may be certain circumstances where the adverse consequences of this relatively high threshold would justify a lower standard to be imposed upon the applicant seeking restraint of publication, but this was held not to be one of them. Damage to reputation was not sufficiently grave to justify departing from the general rule, otherwise the rule would be rendered virtually pointless in these circumstances. Thus, the end result for Boehringer was that it was denied its injunction as it had not sufficiently shown that it was more likely than not to succeed on its allegations of infringement and damage to reputation at trial.

The message from this judgment is that trade mark owners should ensure that any public claim made about their products is accurate. It will now be very difficult to prevent or suspend comparative advertisements that objectively and without misleading the public capitalise on incorrect claims within the rules on such advertising. Practitioners should also be aware of this change in approach to interim injunctions in comparative advertising scenarios and any other scenario where the right of freedom of expression could be invoked. This case has reinforced at a national level the strong support for comparative advertising shown by the ECJ in recent judgments.

Media & Competition

European Commission probes the anticompetitive nature of international collecting societies

In January 2006, the European Commission sent a Statement of Objections to The International Confederation of Societies of Authors and Composers (CISAC) and 18 European Economic Area (EEA) authors' societies. The Statement of Objections concerned certain provisions of the CISAC Model Contract and the Bilateral Representation Agreements between authors' societies. The statement was limited to cable retransmission, satellite and online transmissions of music. The Statement was issued in response to complaints filed by RTL and Music Choice plc to the European Commission in 2001 and 2003, concerning CISAC's performing rights model contract and the bilateral reciprocal representation contracts between EEA performing rights societies.

The Commission was concerned that there were certain clauses within the reciprocal representation agreements that might be contrary to the provisions of Article 81 of the EC Treaty, as they would constitute restrictive business practices. These included clauses which restricted the members' transfer of rights to their national collecting societies and limited the commercial users to territorial licences. In response to the Statement of Objections, CISAC came up with draft

commitments that were in principal agreed upon with the Commission. CISAC has now drafted a new contract that lifts the restrictions on membership and territoriality as well as the restrictions on the exclusivity clause, which are summarised as follows:

- **Exclusivity:** CISAC and the signatory societies will remove exclusivity from its model contract and the representation contracts respectively.
- **Membership:** The members may move freely between the EEA collecting societies.
- **Territoriality:** The signatory societies agreed to allow each other to grant multi territorial EEA licences for the internet, satellite and cable retransmission. However, CISAC notes that the licences will be subject to a complicated system to protect the creative authors and ensure that the authors and their works do not suffer the effects of a potentially harmful downward spiral in royalty rates.

The Commission gave interested parties a deadline of July 2007 to comment on the commitments offered by CISAC and the 18 EEA collecting societies. If market tests reveal that the commitments address the concerns raised by the Statement of Objections, then the Commission will adopt the commitments decision under Article 9 of Regulation 1/2003. If the results indicate that the commitments do not address the concerns raised by the Statement of Objections, the commission has an option to impose the prohibition decision under Article 7 of Regulation 1/2003 where CISAC and the EEA collecting societies no longer apply membership and territorial restrictions at all.

Either decision is likely to loosen restrictions imposed by territorial contracts in relation to material transmitted via the internet, cable and satellite. It remains to be seen what will be the outcome of the market tests and whether the CISAC proposal will be sufficient to satisfy the Commission.

Procedure

Allowing concurrent patent proceedings: when does business get a stay?

In *Glaxo v Genentech* [2007] EWHC 1416, Glaxo sought to revoke Genentech's UK designation of its European patent relating to a treatment of rheumatoid arthritis. Glaxo, along with several other parties, had previously sought to revoke Genentech's European patent by filing for Opposition at the European Patent Office (EPO) on 30 August 2006. The proceedings at the EPO were pending at the date of the High Court hearing.

Glaxo was intending to introduce a product onto the market for the treatment of a type of lymphocytic leukaemia. Genetech

were likely to argue that the product infringed claim 1 of their patent. Upcoming phase III clinical trials of Glaxo's drug would take in the order of three years and cost upwards of US\$100 million. The final year prior to launch would require a spending commitment of an estimated US\$80 million. Glaxo said it needed certainty to plan any investment. There were no infringement claims at issue.

Glaxo wanted the UK trial (considered likely to be the quickest and most conclusive proceedings in respect of the question of marketing the drug in this country) to be held as scheduled in 2008. Counsel for Genentech, attempting to stay the proceedings in light of the EPO proceedings (estimated to take upwards of five years to complete), listed the dangers of the courts permitting concurrent proceedings in patent cases. They attempted to show that, even if patent law was an exception where concurrent proceedings could take place, this exception should be treated narrowly. Counsel cited the traditional view taken by the English courts that in the absence of other factors concurrent proceedings would be treated as vexatious and an abuse of process.

The Court set out a number of factors as to why patent cases should be treated differently. These included:

- Patents are territorial in nature and the legal structures in place, both in Europe (in the EPO) and domestically, make parallel proceedings inevitable.
- The EPO has no power to consider infringement issues, so where infringement is alleged, and the claim is met by a counterclaim for revocation, either both claim and counterclaim must be stayed or both must be allowed to proceed.
- EPO procedure restricts the case that can be made against the patent in that forum.
- An EPO decision is not final because a national court can always overrule the grant of a patent by the EPO.
- The statutory procedure which exists for obtaining declarations of non-infringement shows the value of commercial certainty.
- There is a public interest in ensuring invalid patent monopolies are removed.

The Court held that a number of factors were important when deciding whether the presumption to stay in favour of the EPO was overcome. In particular, the length of time the EPO proceedings were likely to take was considered especially relevant. However, the Court decided that the most important factor in favour of allowing concurrent proceedings in this case was the commercial situation in which Glaxo found itself, namely whether to invest in their product or not. Citing previous statements of the Court of Appeal, the Court agreed

that a “business needs to know where it stands”. The Court therefore refused to grant a stay.

Whilst the Court was willing to take into consideration the commercial concerns in this case, it asked that the law in this area be clarified by the Court of Appeal. This is because patent law was developing its own way of dealing with the question of the stay of proceedings out of line with most other commercial cases.

Legal News

US Court of Appeals limits ISP immunity

In *Fair Housing Council of San Fernando Valley et al v Roommates.com*, the US Court of Appeals for the 9th Circuit ruled, on 15 May 2007, that an online letting service matching lodgers and house or flat owners was not immune from potential liability for the profiles entered by the users of its services.

Roommates.com operates a website allowing individuals to find a house/flat share based on their own descriptions of themselves and their preferences. To use this service, it is necessary to become a member and complete online questionnaires. The website elicits information on characteristics such as age, gender, sexual orientation and whether children live in the household. For this, Roommates.com asks for information structured in the form of (i) multiple choice questions (MCQs) from drop down and select-a-box menus and (ii) a box for additional comments, where users can write free text.

The Fair Housing Councils alleged that Roommates.com infringed various anti-discrimination laws by eliciting this information as a precondition to taking part in the service. The District Court held that the Communications Decency (CDA) 47 U.S.C. s. 230 (c) conferred immunity on Roommates.com, so that there was no need to further examine the question of infringement.

The US Court of Appeal partly reversed this decision. The majority opinion, delivered by Judge Kozinski, held that, in relation to the structured information in the form of MCQs, Roommates.com had no immunity. The Court of Appeals restated the provision in the CDA, according to which an internet service provider (ISP) is only immune from liability if it is not an “information content provider” as defined in 47 U.S.C. s. 230 (f) (3) as: “any person or entity that is responsible, in whole or in part, for the creation or development of information provided through the internet”. The majority opinion concluded that since Roommates.com had designed the questionnaires, it was partly responsible for the information and, therefore was a “content provider”. The majority distinguished this case on the facts from its earlier opinion in

Carafano (339 F.3d 1121). In that case, an impostor had created a false and defamatory profile on a date matching website pretending to be a well-known actress. The majority of the Court found that, in *Roommates.com*, the way the questionnaire was structured elicited potentially discriminatory information, whereas in *Carafano* the website had not encouraged users to play pranks on others.

By contrast, the majority found that Roommates.com was immune from liability in respect of any postings in the additional comments section, as these were, by their nature, open-ended. Roommates.com did not prompt, encourage or solicit any of the inflammatory information provided by some of its members. Reinhardt J. partly dissented. He held that Roommates.com should also lose its immunity in respect of the additional comments section. By contrast, Ikuta, Circuit Judge, partly dissented by finding that Roommates.com should not be liable in respect of either the structured questionnaire or the additional comments section, referring to the case of *Blumenthal v Drudge* 992 F.Supp. 44, 50 (D.D.C 1998).

This case is significant as, interpreting the CDA restrictively, it limits an ISP’s immunity for user profiles compiled by third parties. It also demonstrates that the discussion as to what level of involvement in the provision of information destroys immunity is by no means closed. Furthermore, the decision could impact European businesses whose activities technically fall within US jurisdiction.

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