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INTELLECTUAL PROPERTY LITIGATION

Expert Analysis

Recent Cases Address Whether 'Embedding' Is Copyright Infringement

s social media platforms such as Instagram and Snapchat have gained popularity, so too has the practice of "embedding." Embedding is the incorporation and display by a third-party website of social media posts containing photographs or other content that is stored on and retrieved from the social media posting platform.

We report here on several recent cases in New York federal courts that addressed the unsettled question of whether news organizations and other publishers infringe an author's rights by embedding social media posts containing copyrighted photographs. Goldman v. Breitbart News Network, LLC, 302 F. Supp. 3d 585 (S.D.N.Y. 2018); Sinclair v. *Ziff Davis, LLC*, 454 F. Supp. 3d 342 (S.D.N.Y. 2020), reconsidered, 2020 WL 3450136: McGucken v. Newsweek LLC, 464 F. Supp. 3d 594 (S.D.N.Y. 2020); Walsh v. Townsquare Media, *Inc.*, 464 F. Supp. 3d 570 (S.D.N.Y. 2020); Boesen v. United Sports

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Publ'ns, Ltd., No. 20-CV-1552, 2020 WL 6393010 (E.D.N.Y. Nov. 2, 2020).

Goldman addresses whether embedding violates the exclusive right of display, Sinclair and McGucken address whether embedded content was posted pursuant to a sublicense from a social media platform, and McGucken, Walsh, and Boesen address whether embedding content is fair use.

The Copyright Act

The Copyright Act protects "original works of authorship fixed in any tangible medium of expression," including photographs. 17 U.S.C. §102(a). The Act enumerates an author's exclusive rights, including the right to "display the copyrighted worked publicly." Id. §106(5). To display a work is to "show a copy of it, either directly" or by "any other" "now known or

later developed" device or process. Id. §101.

But the Act allows for the "fair use of a copyrighted work...for purposes such as criticism, comment, [or] news reporting," stating that such a fair use act "is not an infringement of copyright." Id. §107. Section 107 provides four non-exclusive factors to be considered by courts in assessing fair use:

'Goldman' addresses whether embedding violates the exclusive right of display, 'Sinclair' and 'McGucken' address whether embedded content was posted pursuant to a sublicense from a social media platform, and 'McGucken,' 'Walsh,' and 'Boesen' address whether embedding content is fair use.

(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the New York Law Zournal WEDNESDAY, JANUARY 13, 2021

amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work.

The District Court Decisions

In Goldman v. Breitbart, Justin Goldman posted on Snapchat his photograph of Tom Brady helping the Boston Celtics recruit basketball player Kevin Durant. Goldman, 302 F. Supp. 3d at 586. The photograph went viral and was uploaded to Twitter. Id. at 587. News outlets embedded the tweet in articles about whether the Boston Celtics would recruit Durant and whether Brady would assist in that effort. Id. Goldman sued for copyright infringement.

The district court granted partial summary judgment to Goldman, holding that "when defendants caused the embedded tweets to appear on their websites, their actions violated plaintiff's exclusive display right; the fact that the image was hosted on a server owned and operated by an unrelated third party (Twitter) does not shield them from this result." Id. at 586. "[E]ach and every defendant itself took active steps to put a process in place that resulted in a transmission of the photos so that they could be visibly shown.... Properly understood, the steps necessary to embed a tweet are accomplished by the defendant website; these steps constitute a process. The plain language of the Copyright Act calls for no more." Id. at 594.

Notably, the court rejected the U.S. Court of Appeals for the Ninth Circuit's "Server Test," under which

"whether a website publisher is directly liable for infringement turns entirely on whether the image is hosted on the publisher's own server, or is embedded or linked from a third-party server." Id. at 590. The court also rejected arguments that "to find for plaintiff here would 'cause a tremendous chilling effect on the core functionality of the web" and "not adopting the Server Test here would 'radically change linking practices, and thereby transform the

In so holding, the 'Boesen' court relied on 'Walsh,' stating that "embedding social media posts that incidentally use copyright images in reporting on the posts themselves transforms the original works, supporting a finding of fair use."

internet as we know it." Id. at 596. The case settled after the Second Circuit declined to hear defendants' interlocutory appeal.

In *Sinclair v. Ziff Davis*, Stephanie Sinclair posted her photograph entitled "Child, Bride, Mother/Child marriage in Guatemala" to her Instagram account. 454 F. Supp. 3d at 343. Mashable published an article about female photographers and embedded the photograph from Sinclair's Instagram, which resulted in a copyright infringement action. Id.

The district court granted Mashable's motion to dismiss, holding that Sinclair "granted Instagram the right to sublicense the photograph, and Instagram validly exercised that right by granting Mashable a sublicense to display the

photograph." Id. at 344. By "creating an Instagram account, plaintiff agreed to Instagram's terms of use," which state that "by posting content to Instagram, the user 'grant[s] to Instagram a non-exclusive, fully paid and royalty-free, transferable, sublicensable, worldwide license to the content that you post on or through [Instagram]." Id. at 345. Thus, the court did "not reach the question, addressed in Goldman but unsettled in this Circuit, of whether embedding an image constitutes 'display' that is capable of infringing a copyright in the image." Id. at 346 n.3. Sinclair moved for reconsideration.

The court granted the motion, holding that "the pleadings contain insufficient evidence that Instagram exercised its right to grant a sublicense to Mashable" and the court's previous decision "did not give full force to the requirement that a license must convey the licensor's 'explicit consent' to use a copyrighted work." 2020 WL 3450136, at *1. The court also relied on the "persuasive authority of McGucken," which was decided in the two months between the original Sinclair decision and the motion for reconsideration decision. Id. at *2. The case is pending.

In *McGucken v. Newsweek*, Elliot McGucken posted on Instagram his photograph of an ephemeral lake that had appeared in Death Valley, California. *McGucken*, 464 F. Supp. 3d at 599. The next day, Newsweek published an article on its website entitled "Huge Lake Appears in Death Valley, One of the Hottest, Driest Places on Earth," and embedded McGucken's Instagram post in the article. Id. at 600.

Newsweek moved to dismiss McGucken's complaint for copyright infringement, arguing that Instagram granted Newsweek a sublicense to use the photograph and that Newsweek's use of the photograph constituted fair use. Id. at 603. The court rejected Newsweek's sublicense defense, holding that "there is no evidence before the court of a sublicense between Instagram and defendant. Although Instagram's various terms and policies clearly foresee the possibility of entities such as [Newsweek] using web embeds to share other users' content, none of them expressly grants a sublicense to those who embed publicly posted content." Id.

The court also rejected Newsweek's fair use defense. As to the first fair use factor, the purpose and character of the use, the court held that the use was not transformative because McGucken "posted the photograph as an illustration of a phenomenon he observed, and [Newsweek] similarly used the photograph primarily as an illustrative aid depicting the subject of the article" and "the mere addition of some token commentary is not enough to transform the use of a photograph when that photograph is not itself the focus of the article." Id. at 606. The court also found that the fourth factor, the effect of the use upon the potential market, favored McGucken because Newsweek's "use of the photograph was both commercial and a mere duplication of the original." Id. at 609. The case is pending.

In Walsh v. Townsquare Media, Townsquare published an article entitled "Cardi B Partners with Tom Ford for New Lipstick Shade," in which it embedded rapper Cardi B's Instagram post containing a composite image of the Tom Ford lipstick and Rebecca Walsh's copyrighted image of Cardi B appearing at a fashion show in New York City. *Walsh*, 464 F. Supp. 3d at 577.

In a decision issued the same day as McGucken, the court granted Townsquare's motion to dismiss, finding that the embedding of the photograph was fair use. Id. at 574. As to the first factor, the court held that the use was transformative because "the article uses the photograph for an entirely different purpose than originally intended. The photograph was taken to 'depict Cardi B at Tom Ford's fashion show," but "Cardi B's making and dissemination of the post, not the image that was posted, was 'itself the subject of the story." Id. at 581-82.

The court also held that the third factor, the amount and substantiality of the portion used, favored fair use because "the post is the only image that could have accomplished XXL Mag's journalistic objective of describing a social media story and providing readers with the relevant posts." Id. at 586.

In Boesen v. United Sports Publications, professional tennis player Caroline Wozniacki announced her retirement from tennis through her Instagram page. Boesen, 2020 WL 6393010, at *1. The post included a cropped low-resolution version of a photograph taken by Michael Boesen, showing Wozniacki preparing to serve. United Sports Publications published an article on its website about the retirement announcement in which it quoted the text of Wozniacki's Instagram post, summarized her career, and

embedded Wozniacki's Instagram post with the photograph. Id. at *1-2. Boesen sued for copyright infringement.

The court granted United's motion to dismiss, holding that the embedding of the Instagram post constituted fair use. Id. at *1. Under the first factor, the court found the use transformative because "defendant's article reported on Wozniacki's retirement announcement and the fact that it took place on Instagram. The article did not use plaintiff's photograph 'as a generic image' of Wozniacki...Rather, it embedded the Instagram post announcing her retirement—which incidentally included the photograph—because 'the fact that [Wozniacki] had disseminated' that post 'was the very thing the Article was reporting on." Id. at *4.

In so holding, the court relied on Walsh, stating that "embedding social media posts that incidentally use copyright images in reporting on the posts themselves transforms the original works, supporting a finding of fair use." Id. at *5 (emphasis in original). As to factor four, again relying on Walsh, the court held that "because the photograph did not appear on its own, but as part of the post, alongside text..., it is implausible that defendant's use would compete with plaintiff's business or affect the market value of h[is] work." Id. at *6.