



PROGRAM MATERIALS

Program #3114

January 22, 2021

To Embed, or Not to Embed, that is the Question

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- **Michael Hobbs, Esq. - Troutman Pepper**
- **Shaleen Patel, Esq. - Troutman Pepper**

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5255 North Federal Highway, Suite 100, Boca Raton, FL 33487

Phone 561-241-1919

To Embed, or Not to Embed, that is the Question

Michael Hobbs, Esq.

Shaleen Patel, Esq.

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Topics of Discussion

- **What is Embedding?**
- **Indirect Copyright Infringement**
- **Direct Copyright Infringement**
- **Recent Legal Developments on Embedding**
- **Defenses**
- **Practical Recommendations**

What is Embedding?

Definitions, Examples, and Applications

What is Embedding? – Definitions

Embedding is the integration of links, videos, images, or other media hosted on one platform into another.

- “‘Embedding’ an image on a webpage is the act of a coder intentionally adding a specific “embed” code to the HTML instructions that incorporates an image, hosted on a third-party server, onto a webpage. . . . An embedded image will then hyperlink . . . to the third party website.” *Goldman v. Breitbart News Network, LLC* 302 F. Supp. 3d 585, 587 (S.D.N.Y. 2018)
- As a result of embed code, “the image appears on the new page, but links to and remains hosted on the third-party server or website.” *Walsh v. Townsquare Media, Inc.*, 464 F. Supp. 3d 570, 577 fn. 4 (S.D.N.Y. 2020) (emphasis added).

What is Embedding? - Examples

Bleacher Report Embedding Twitter Posts

B/R

PLAYERS CONGRATULATE HENRY FOR 2K YARDS

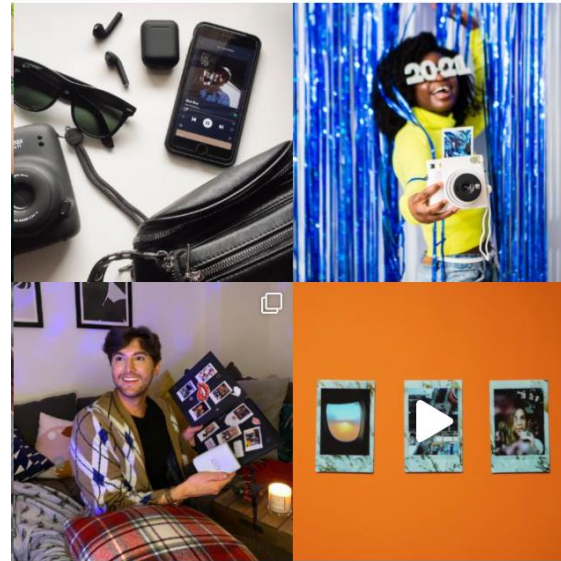
2K-Yard RBs Congratulate Henry

Barry Sanders, Chris Johnson and Terrell Davis welcome Derrick Henry to the 2K club



Instax Fujifilm (instax.co.uk) Embedding its Instagram

Follow @INSTAXHQ on Instagram



What is Embedding - Examples

Google Embedding a YouTube Video

YouTube Player Demo

This page demonstrates the YouTube Player API's functions. Embedded players must have a viewport that is at least 200px by 200px. If the player displays controls, it must be large enough to fully display the controls without shrinking the viewport below the minimum size. We recommend 16:9 players be at least 480 pixels wide and 270 pixels tall.

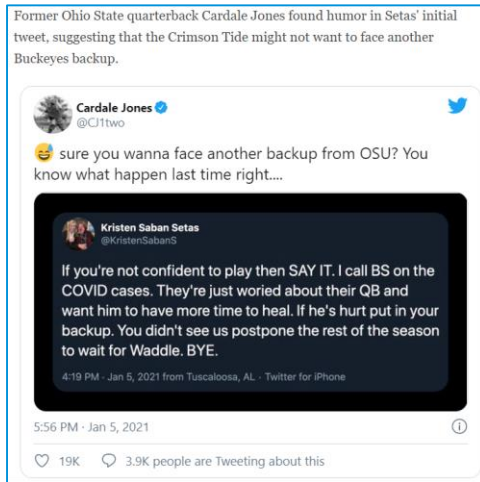


Example of Embedding Code from YouTube



Embedding vs. Hyperlinking

- An embed actually displays the underlying content, wherein the user sees the embedded content as if it was part of the webpage.
- Ex. This tweet appears as if it is part of the article



- A hyperlink directs a user to an external webpage, where the contents of the webpage cannot be viewed until the link is clicked.
- Ex. The publication below is not shown until after licking the active link.
 - [“Artificial Intelligence and Copyright: Ownership and Fair Use.”](#) *IP Strategist*, June 2020.

What is Embedding? - Applications

Reasons someone may embed content include:

- **Substantive commentary or journalism on the embedded content**
 - E.g., when the article's purpose is to comment on the use of social media for announcing a retirement, victory, or plan.
- **Using social media to promote favorable publicity**
 - E.g., embedding positive feedback received through Twitter, Instagram, or Facebook
- **Saving storage space on internal servers**
 - A single high-resolution picture takes over 2MB of space, and a video can take over 1GB depending on the quality and length
- **Integrating social media for marketing**
 - E.g., Integration through embedding a swath of social media outlets as an outreach platform or marketing vehicle.

More Reasons to Embed

- **Expanding traffic to both internal and external websites**
 - E.g., obtaining traffic from both YouTube (where the video is hosted) and a company's webpage that embeds the same.
- **Leveraging the technology of content-hosting platforms such as load speed and responsiveness**
 - Tech giants such as Google and Facebook have already developed easy-to-use embedding technology and have the necessary tools to keep load times minimal while displaying high-resolution content.
- **Controlling bandwidth during peak hours**
 - Many businesses struggle to keep their websites stable during peak hours or with increased pandemic-related traffic. Embedding technology shares the burden of bandwidth with the underlying host of the embedded content.

What is Embedding? – Additional Facts

- Nearly one in four online articles contain at least some social media embedded content (SAM, “The State of Social Embeds,” 2016. *available at* perma.cc/N6KP-SX8Z).
- More than half of all embeds originate from Twitter.
- Instagram updated its embedding policy in 2020 to encourage users to license any content taken from Instagram (<https://help.instagram.com/325135857663734> at § D.9) (emphasis added)
 - “You represent and warrant that you own or have secured all rights necessary to display, distribute and deliver all content in your app or website. To the extent your users are able to share content from your app or website on or through Instagram, you represent and warrant that you own or have secured all necessary rights for them to do so in accordance with Instagram's available functionality”

Indirect Infringement

Contributory and Induced Infringement

Indirect Infringement – Contributory Infringement

- **“A typical . . . definition of a contributory infringer is one who, with knowledge of the infringing activity, induces, causes or materially contributes to the infringing conduct of another.” *Flava Works, Inc. v. Gunter*, 689 F.3d 754, 757 (7th Cir. 2012) (internal quotation omitted).**
 - Or, more succinctly, contributory infringement is “personal conduct that encourages or assists the infringement.” *Id.*
- “[T]here cannot be contributory infringement without direct infringement, and so in the case of a hyperlink to an authorized site, there is no direct infringement” William F. Patry, *Patry on Copyright*, § 15:7 (2020).
 - For hyperlinking, the party providing the link is not also providing the means for infringement. If the underlying link is authorized, then there is no direct infringement. If the link is unauthorized the link does not provide a means for infringement because the infringement already occurred. *See id.*

Indirect Infringement – Contributory Infringement and Embedding

- **Contributory infringement requires an “active” component of encouragement of underlying direct infringement.**
 - As a result, embedding, without more, should not lead to contributory infringement unless there are other factual circumstances that indicate *encouraging* the underlying infringement. See *Flava Works*, 689 F.3d at 758.
- Ex, *Sony v. Universal Studios*, 464 U.S., at 439 (1984), commonly known as “The Betamax Case,” determined that Sony’s sales of a device with substantial non-infringing uses and not specifically manufactured to encourage infringement was not enough to hold Sony contributorily liable for customers’ use of the Betamax to record copyrighted works.
 - Compare with *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004 (9th Cir. 2001) which held that Napster was contributorily liable for hosting infringing content, having knowledge of the specific infringing content, and not withholding access to suppliers of the infringing content despite the capability to do so.

Indirect Infringement – Induced Infringement

- “[O]ne who distributes a device with the object of promoting its use to infringe copyright, as shown by clear expression or other affirmative steps taken to foster infringement, is liable for the resulting acts of infringement by third parties.” *MGM Studios, Inc. v. Grokster, LTD.*, 545 U.S. 913, 936-37 (2005)
- **Typically, unless a company has no legitimate purpose, induced infringement liability will not arise from any embedding-related conduct.**
 - “[J]ust as *Sony* did not find intentional inducement despite the knowledge of the VCR manufacturer that its device could be used to infringe, mere knowledge of infringing potential or of actual infringing uses would not be enough here to subject a distributor to liability.” *Id.* (citing *Sony v. Universal Studios*, 464 U.S., at 439, n. 19 (1984)).

Direct Infringement

Perfect 10 and the “Server Test”

Direct Infringement – 17 U.S.C. § 106

“[T]he owner of copyright . . . has the exclusive rights to do and to authorize any of the following:

- (1) to reproduce the copyrighted work in copies or phonorecords;
- (2) to prepare derivative works based upon the copyrighted work;
- (3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;
- (4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly;
- (5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and
- (6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.

Rights Related to Embedding

The Display Right – § 106(5)

- **Does embedding an image such that it displays the image to the user without the potential infringer hosting the image constitute direct infringement?**
 - For a while, the answer seemed definitively to be “no.”

The Reproduction and Distribution Rights – §§ 106(1), 106(3)

- **Does causing an image to be cached, temporarily stored in RAM, or stored in some other digital storage constitute “reproduction” or “distribution” of a work if the reproduction or distribution technically originated from an authorized user?**
 - The answer to this question is much more complicated, and has muddied the waters of embedding as seen in the following examples.

Direct Infringement – *Perfect 10* Background 508 F.3d 1146 (9th Cir. 2007)

- Perfect 10 was an adult entertainment magazine that featured images of women and also operated a subscription-only website.
- Other third-party websites had taken Perfect 10's images and hosted them without Perfect 10's authorization.
- Google "crawler" program cached and indexed the unauthorized images resulting in the images showing up in Google's image searching.
- While Google did not host the full-size images, it did host and directly transmit the preview thumbnails users could click on to reach the full size image.
- In 2004, Perfect 10 sued Google and Amazon.com (for its "A9" search engine) and for copyright infringement.
- Google was enjoined from displaying the preview thumbnails.



Direct Infringement – Google Images Searching

The screenshot shows a Google Images search for "Bernese Mountain Dog". The search bar at the top contains the text "Bernese Mountain Dog" and includes icons for image search, voice search, and a magnifying glass. On the right side, there are icons for a grid and a user profile. The search results are displayed in a grid of images. The first image in the top row is highlighted with a red border. The image on the right side of the search results is highlighted with a blue border and is shown in a larger, detailed view. This detailed view includes a close button (X), navigation arrows, and a source attribution to "American Kennel Club". Below the image in the detailed view, there is a title "Bernese Mountain Dog Dog Breed Information" and a link to "See more".

Google

bernese mountain dog

Bernese Mountain Dog Dog Breed I...
akc.org

Bernese Mountain Dog: Full ...
thesprucepets.com

7 Fun Facts About the Bernese Mou...
akc.org

Bernese Mountain Dog Puppies: The ...
rover.com

Bernese Mountain Dog Breed: Facts ...
be.chewy.com

Bernese Mountain Dog Puppies For Sale ...
animalkingdomaz.com

Bernese Mountain Dog | Dog Breed Facts ...
wagwalking.com

American Kennel Club

Bernese Mountain Dog Dog Breed Information
Images may be subject to copyright. Learn More

Related images See more

Left Red = Hosted by Google

Right Blue = Embedded by Google (Hosted by American Kennel Club)

Direct Infringement – *Perfect 10* “Server Test” and § 106(5) Display Right

- **In deciding whether or not Google violated Perfect 10’s display right, the district court reasoned, and the 9th Circuit approved, that a computer that “stores an image as electronic information and serves that electronic information directly to the user . . . is displaying the electronic information in violation of a copyright holder’s exclusive display right.” 508 F.3d at 1159**
 - Because Google’s thumbnails (red box on slide 19) were hosted by Google, such images would likely infringe.
 - Because Google’s full-size images (blue box on slide 19) were NOT hosted by Google, such images would NOT likely infringe.
- **Although consumers may think the full-size image belonged to Google, the Copyright Act affords no protections stemming from consumer confusion.**
 - Thus, although a consumer may have thought Google was hosting the offending image, consumer perception is irrelevant to direct infringement of a copyright.

Direct Infringement – Adoption of “Server Test” Beyond 9th Circuit

- ***Grady v. Iacullo*, 2016 WL 1559134 (D. Colo. Apr. 18, 2016)** (discussing the server test with regards to the reproduction right and requiring plaintiff to show proof that defendant’s conduct resulted in plaintiff’s work being copied to defendant’s computer)
- ***Live Face on Web, LLC v. Smart Move Search, Inc.*, 2017 WL 1064664 (D.N.J. Mar. 21, 2017)** (surviving a Motion to Dismiss based on the allegation that each time a user used defendant’s website, it caused a copy of plaintiff’s software to be distributed and that the defendant’s website distributed the copies of the code to each visitor).



Recent Developments in Direct Infringement Cases

Rejection of the “Server Test” as settled law

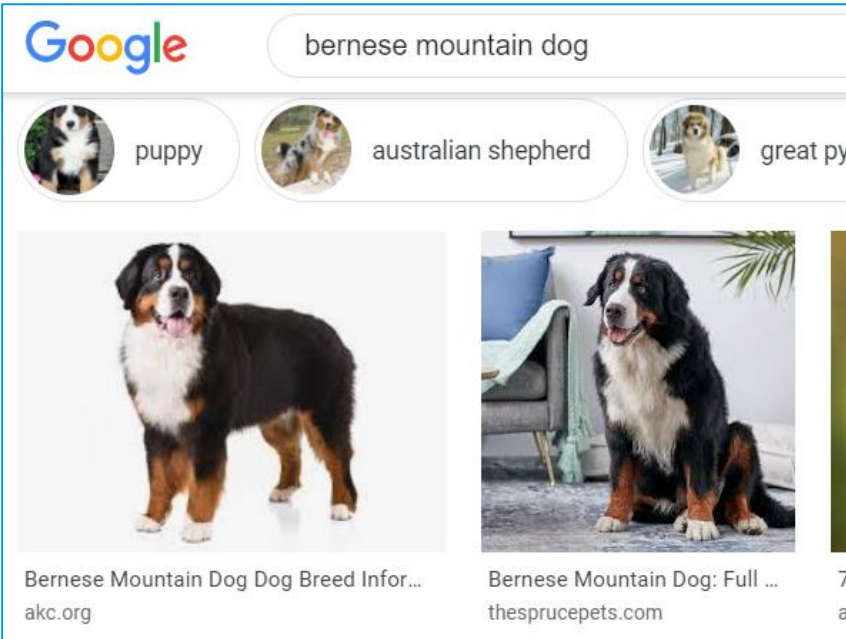
Rejection of the Server Test – Eastern District of Texas

- ***Leader’s Inst., LLC v. Jackson*, No. 3:14-CV-3572-B, 2017 U.S. Dist. LEXIS 19355, 29-30 (N.D. Tex. Nov. 22, 2017)**
 - Among many issues on summary judgment, defendants alleged plaintiff “framed” their copyrighted works.
 - “Framing” is a similar process to embedding where the local content is seamlessly provided with the framed content, although the framed content is hosted elsewhere.
 - The Court ruled that framing was fundamentally different than Google’s image search which provided multiple images and links to any underlying content. *Id.* at *31.
 - “[T]o the extent *Perfect 10* makes actual possession of a copy a necessary condition to violating a copyright owner’s exclusive right to display her copyrighted work, the Court respectfully disagrees with the Ninth Circuit.”
 - The Court held that there was enough evidence on the record to support defendants’ “framing” theory and that “framing” could constitute infringement under the Copyright Act. *Id.* at *33.

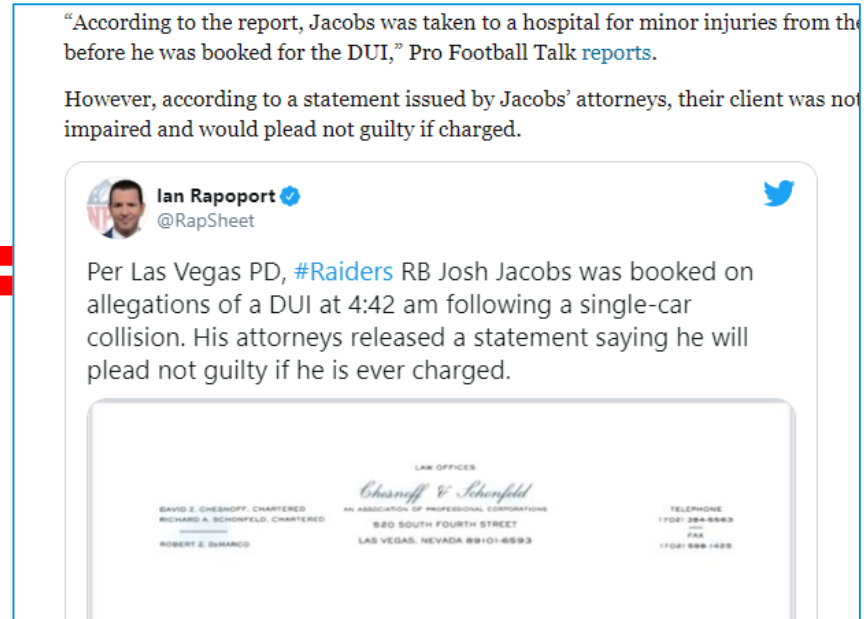
Rejection of the Server Test – Southern District of New York

- ***Goldman v. Breitbart News Network LLC*, 302 F. Supp. 3d 585, 590 (S.D.N.Y. 2018)**
 - Plaintiff’s copyrighted picture of Tom Brady going to recruit Kevin Durant to the Celtics went viral over social media (Twitter, Snapchat, Reddit) and defendants eventually embedded tweets with the picture into their websites for articles.
 - In refusing summary judgment, the Court specifically rejected the Server Test as settled law outside of the Ninth Circuit. *Id.* at 590; 595
 - The Court also noted that while the Server Test may have some merit for the DISTRIBUTION right, no courts in the Southern District of New York had found the test applicable for the DISPLAY right. *Id.* at 591
 - The Court reasoned that, like in *ABC, Inc. v. Aereo, Inc.*, 573 U.S. 431 (2014), direct infringement should not lie on technology invisible to end-users. *Goldman*, 302 F. Supp. 3d at 595
 - Lastly, the Court noted that, even if valid, applications of the Server Test are limited to search engines where users must search and click on a link, rather than media where specified content is automatically distributed. *Id.* at 595-96.

Difference Between “Framed” Search and embedded Content



A screenshot of a Google search for "bernese mountain dog". The search bar at the top contains the text "bernese mountain dog". Below the search bar, there are three circular image thumbnails with labels: "puppy", "australian shepherd", and "great py". Below these are two larger image results. The first image shows a Bernese Mountain Dog standing, with a caption "Bernese Mountain Dog Dog Breed Infor... akc.org". The second image shows a Bernese Mountain Dog sitting, with a caption "Bernese Mountain Dog: Full ... thesprucepets.com".



A screenshot of a tweet from Ian Rapoport (@RapSheet). The tweet text reads: "According to the report, Jacobs was taken to a hospital for minor injuries from the before he was booked for the DUI," Pro Football Talk reports. However, according to a statement issued by Jacobs' attorneys, their client was not impaired and would plead not guilty if charged. Per Las Vegas PD, #Raiders RB Josh Jacobs was booked on allegations of a DUI at 4:42 am following a single-car collision. His attorneys released a statement saying he will plead not guilty if he is ever charged." Below the text is a screenshot of a law firm's letterhead for Cheanoff & Schonfeld, an association of professional corporations, located at 820 South Fourth Street, Las Vegas, Nevada 89101-6993. The letterhead also lists the names of David Z. Cheanoff, Richard A. Schonfeld, and Robert Z. Damico, along with their telephone and fax numbers.

Legal Difference Between Search Engines and Embedded Content (*Goldman*, 302 F. Supp. 3d at 595-96)

Search Engine Embedded Content

- Original thumbnails are hosted by search engine
- Typically receives multiple results matching a generic description
- Automated
- Requires users to click a thumbnail to see the underlying embedded content
- After clicking a thumbnail, users are “engaged in a direct connection” with third-party websites.

Article-Embedded Content

- Host-specified content
- Requires specific intent of embedding particular media
- Does not give the user a choice in viewing the embedded content

Rejection of the Server Test- S.D.N.Y Concurrent Cases

- ***McGucken v. Newsweek LLC*, 19 Civ. 9617 (KPF), 2020 U.S. Dist. LEXIS 96126 (S.D.N.Y. Jun. 1, 2020)**
- ***Sinclair v. Ziff Davis, LLC*, 18-CV-790 (KMW), 2020 U.S. Dist. LEXIS 110627 (S.D.N.Y. Jun. 24, 2020)**
- In cases against Newsweek and Mashable, the courts have noted that while Instagram requires content creators to consent to Instagram having a license to host the protected content, Instagram’s right to sublicense may need to be actually exercised to provide a website seeking to embed such content into its own publication a defense to infringement.
- The *Sinclair* case was originally dismissed via a license defense, but then granted reconsideration in light of *McGucken*.
- The *McGucken* court considered the reasoning that originally dismissed *Sinclair*, noting that “[a]lthough Instagram’s various terms and policies clearly foresee the possibility of entities such as Defendant using web embeds to share other users’ content, ... none of them expressly grants a sublicense to those who embed publicly posted content. Nor can the Court find, on the pleadings, evidence of a possible implied sublicense.” Given the early stage of litigation, the court refused to make a determination of whether or not a license, explicit or implied, existed. *McGucken*, 2020 U.S. Dist. LEXIS at 12.

Fair Use Defense

Fair Use – 17 U.S.C. § 107

“[T]he fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

- (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 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.”

Fair Use – Factors 1 & 2 Defined

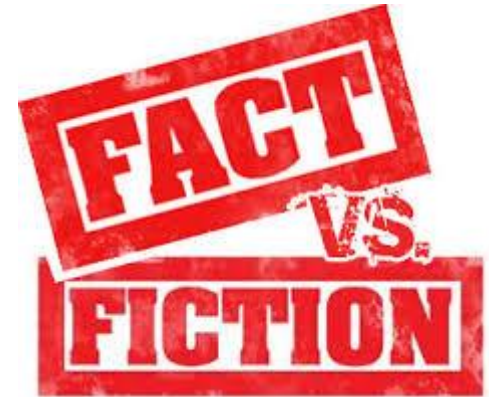
(1) The purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;

- Focus is on whether the use “merely supersedes the objects of the original creation, or instead adds something new, with a further purpose or different character, altering the first with new expression, meaning, or message.” Often asks if the use is “transformative.” *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 586 (1994).

Ex. Parodies, uses for biographical purposes, and uses needed for substantive commentary.

(2) The nature of the copyrighted work;

- Courts consider whether a work is creative versus factual, and unpublished versus published, with copyright protections applying more broadly to creative and unpublished works. See *Harper & Row Publrs. V. Nation Enters.*, 471 U.S. 539, 563-64 (1985)



Fair Use – Factors 3 & 4 Defined

(3) The amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

- Determines if the portion of the copyrighted work used is “reasonable in relation to the purpose of the copying.” *Campbell*, 510 U.S. at 586.

Ex. *Solid Oak Sketches, LLC v. 2K Games, Inc.*, 449 F. Supp. 3d 333 (S.D.N.Y. 2020)

- Tattoo artist sued video game maker for tattoos showing on players’ character models.
- Court reasoned “[I]t would have made little sense for Defendants to copy just half or some smaller portion of the Tattoos[.]” *Id.* at 349

(4) The effect of the use upon the potential market for or value of the copyrighted work.

- Determines whether or not the use competes with the original or is an effective substitute. *Capitol Records LLC v. ReDigi Inc.*, 910 F.3d 649, 662 (2d Cir. 2019)



Fair Use in *Perfect 10*, 508 F.3d 1146 (9th Cir. 2007) – Favored Google

1. Purpose and Character of Use (Favored Google)

- “Google’s use of thumbnails is highly transformative. . . . [A] search engine puts images ‘in a different context’ so that they are ‘transformed into a new creation’”. *Id.* at 1165.
- Google’s use for thumbnails transformed “the image into a pointer directing a user to as source of information.” *Id.*
- “[T]he significantly transformative nature of Google’s search engine . . . outweighs Google’s superseding and commercial uses of the thumbnails in this case.” *Id.* at 1166

2. Nature of the Copyrighted Work (Favored Google)

- While creative, Perfect 10’s images were also previously published. “Once Perfect 10 . . . exploited [it’s] commercially valuable right of first publication on the [i]nternet for paid subscribers, Perfect 10 is no longer entitled to the enhanced publication for an unpublished work.” *Id.* at 1167

3. Amount and Substantiality of the Portion Used (Neutral)

- Google’s use of the entire image was reasonable in light of the purpose of a search engine to allow users to recognize and decide whether or not to pursue more information from the originating website. *Id.*

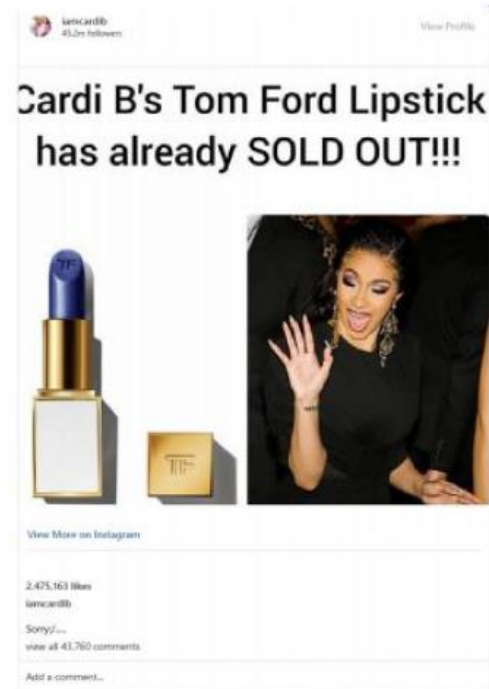
4. Effect on the Market (Neutral)

- Google’s thumbnail use hypothetically harmed Perfect 10’s market for cell-phone sized images, but such harm was not proven

Fair Use Cases

Walsh v. Townsquare Media, Inc., 464 F. Supp. 3d 570 (S.D.N.Y. 2020)

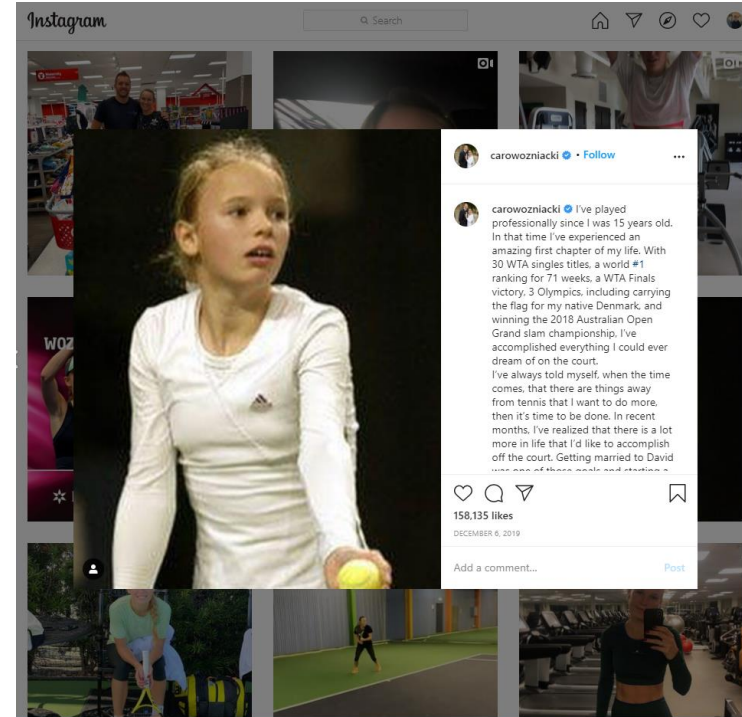
- Plaintiff took a picture of celebrity Cardi B at a Tom Ford fashion show and registered a copyright.
- Defendants posted an article embedding three Instagram posts described in the article.
- The Court found that the article was fair use as it commented on the Instagram post itself and was not using the picture for an article just about the celebrity.



Fair Use Cases

Boesen v. United Sports Publs., Ltd., 2020 U.S. Dist. LEXIS 203682 (E.D.N.Y. 2020)

- **Caroline Wozniacki announced her retirement via Instagram in 2019 using a cropped, low resolution version of Plaintiff's copyrighted picture**
- **Defendant published an article embedding and commenting on Wozniacki's Instagram post.**
- **Court granted Defendant's Motion to Dismiss because it constituted fair use.**



Fair Use Cases

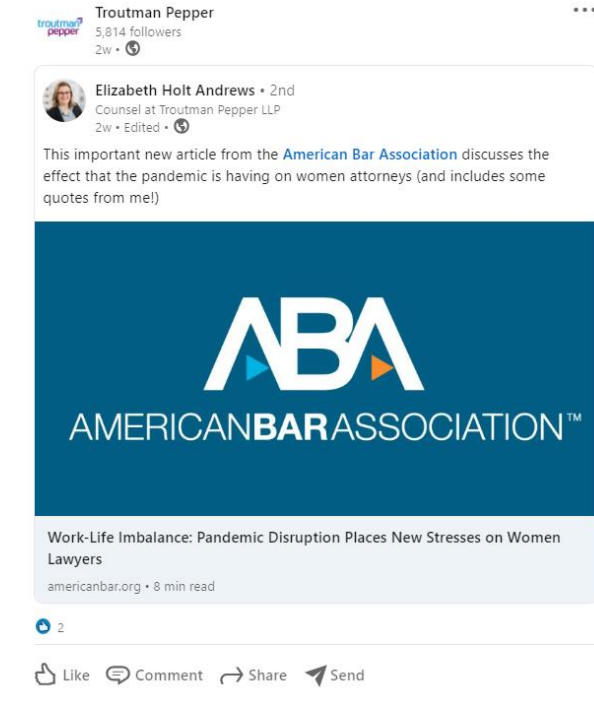
Both *Walsh* and *Bosen* were found to be fair use:

1. The uses were transformative as commentaries on the underlying embedded pictures.
2. Both copyrighted works contained “informational and creative elements” involving a real-subject and technical skill. However in both cases, the fact that the works were previously published tipped this factor in favor of the respective defendants.
3. Although the entirety of the Instagram posts were used in each case, the entire post was reasonably necessary to comment on the underlying images and no smaller amount would be an acceptable substitute.
4. In each case, the Instagram posts (a low-quality image in *Bosen*) were not acceptable substitutes for the original due to the extra content compared to the original and therefore they did not compete with the originals.

Practical Recommendations

Practical Recommendations and Considerations

- **Review guidelines for posting with social media teams**
- **Review internal guidelines for reviewing articles before publication**
- **Review the strength of a fair use defense**
- **Consider if embedding a work is worth the risks of litigation**
- **Consider licensing original content that may be embedded**
- **Consider obtaining a license before embedding images**



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Michael Hobbs, Esq.

michael.hobbs@troutman.com

Shaleen Patel, Esq.

shaleen.patel@troutman.com

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