

# The Direct Liability of Online Intermediaries for IPR Infringements

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## ABSTRACT

*One of the most interesting and relevant developments in respect of online intermediaries concerns the emerging possibility – especially in the copyright field – to go beyond the traditional approach to their liability based on the safe harbour legislation and, with that, the system of secondary/accessory legislation and root, instead, their liability within a primary/direct liability regime, also in relation to user activities and user-uploaded content. This contribution explains how the Court of Justice of the European Union has come to consider the possibility of direct liability of online intermediaries in relation to user activities and undertakes a reflection on the implications of said approach, also with regard to its application to less egregious scenarios than piracy-focused platforms and other IP rights (notably: trade marks).*

## 1. INTRODUCTION

One of the most interesting and relevant developments in respect of online intermediaries concerns the emerging possibility to go beyond the traditional approach to their liability based on the safe harbour legislation and, with that, the system of secondary/accessory legislation and root, instead, their liability within a primary/direct liability regime, also in relation to user activities and user-uploaded content (UUC).

The Court of Justice of the European Union (CJEU) has expressly envisaged the possibility of direct liability in the copyright field in the context of its increasingly expansive case law on the right of communication to the public within Article 3(1) of Directive 2001/29 (the InfoSoc Directive)<sup>1</sup>, including the 2017 decision in *Stichting Brein*, C-610/15<sup>2</sup> (the *Pirate Bay* case).

This contribution explains how the CJEU has come to consider the possibility of direct liability of online intermediaries in relation to user activities and undertakes a reflection on the implications of said approach, also with regard to the possibility of extending the reasoning in *Stichting Brein*, C-610/15 to less egregious scenarios than the *Pirate Bay*, as well as to other IP rights (notably: trade marks).

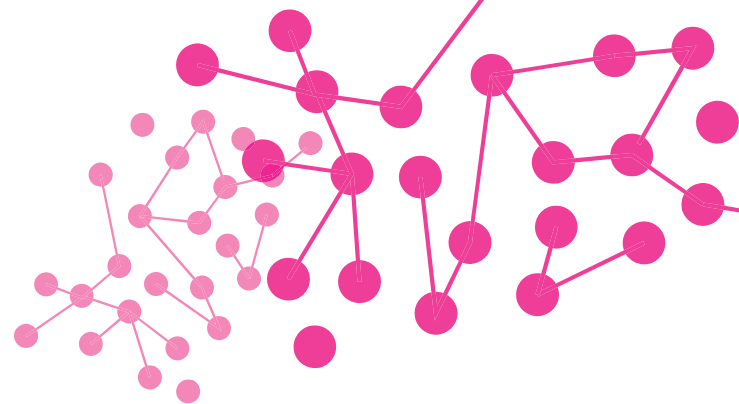
## 1. THE RIGHT OF COMMUNICATION TO THE PUBLIC AS CONSTRUED THROUGH CASE LAW

The right of communication to the public within Article 3(1) of the InfoSoc Directive has been subject to a significant number of referrals since the first ruling in 2006 in *SGAE*, C-306/05.<sup>3</sup> By relying on international sources and a purpose-driven interpretation of the InfoSoc Directive, the CJEU has construed this exclusive right broadly and in such a way as to encompass, at certain conditions, different types of acts, including the making available of TV sets in certain contexts, linking to protected content, the provision of certain types of set-up boxes, indexing activities by a platform, and cloud-based recording services.<sup>4</sup>

At the international level, the right of communication to the public received its first formulation in Article 11bis of the Berne Convention, as adopted in 1928 and later revised with the Brussels Act 1948.<sup>5</sup> The WIPO Copyright Treaty supplemented the Berne Convention<sup>6</sup>, and introduced the concept of ‘making available to the public’.<sup>7</sup> The wording of Article 3(1) of the InfoSoc Directive is derived from Article 8 of the WIPO Copyright Treaty.<sup>8</sup> However, Article 3(1) of the InfoSoc Directive does not define the concept of ‘communication to the public’. This provision, in fact, only states that EU

*Member States shall provide authors with the exclusive right to authorise or prohibit any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them.*

Lacking a definition of the notion of ‘communication to the public’, the CJEU has sought to determine the meaning and scope of this concept in light of the objectives pursued by the InfoSoc Directive, notably ensuring a high level of protection of intellectual property (Recital 24) and for authors. In its rich body of case law on Article 3(1) of the InfoSoc Directive, the CJEU has consistently stated that the essential requirements of Article 3(1) are an ‘act of communication’, directed to a ‘public’. In addition, the CJEU has also highlighted the importance of considering additional criteria, which are not autonomous and are interdependent, and may – in different situations – be present to widely varying degrees. Such criteria must be applied both individually and in their interaction with one another.<sup>9</sup>



Starting from ‘public’, this is a concept that has not been straightforward to comprehend, also because the relevant understanding may change depending on the context.<sup>10</sup> In general terms, the notion of ‘public’ is that of an indeterminate and fairly large (above *de minimis*) number of people.<sup>11</sup> In the case of a communication concerning the same works as those covered by the initial communication and made by the same technical means (eg internet), the communication must be directed to a ‘new’ public.

Derived from the interpretation given by the 1978 WIPO Guide to the Berne Convention of Article 11bis(1)(iii) of the Berne Convention as first employed by Advocate General (AG) La Pergola in his Opinion in EGEDA, C-293/98<sup>12</sup>, the ‘new public’ that is relevant to the establishment of Article 3(1) applicability is the public which was not taken into account by the relevant rightholder when it authorized the initial communication to the public.<sup>13</sup>

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<sup>1</sup> Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society, OJ L 167, 22.06.2001, 10–19.

<sup>2</sup> Stichting Brein, C-610/15, EU:C:2017:456.

<sup>3</sup> They are (in chronological order): SGAE, C-306/05, EU:C:2006:764; Organismos Sillogikis Diacheirisis Dimiourgou Theatrikon kai Optikoakoustikon Ergon, C-136/09, EU:C:2010:151; Circul Globus Bucuresti, C-283/10, EU:C:2011:772; Football Association Premier League and Others, C-403/08 and C-429/08, EU:C:2011:631; Airfield and Canal Digitaal, C-431/09, EU:C:2011:648; SCF, C-135/10, EU:C:2012:140; Phonographic Performance (Ireland), C-162/10, EU:C:2012:141; ITV Broadcasting, C-607/11, EU:C:2013:147; Svensson and Others, C-466/12, EU:C:2014:76; OSA, C-351/12, EU:C:2014:110; BestWater, C-348/13, EU:C:2014:2315; C More Entertainment, C-279/13, EU:C:2015:199; Sociedade Portuguesa de Autores CRL, C-151/15, EU:C:2015:468; SBS Belgium, C-325/14, EU:C:2015:764; Reha Training, C 117/15, EU:C:2016:379; GS Media, C-160/15, EU:C:2016:644; Stichting Brein, C-527/15, EU:C:2017:300; AKM, C-138/16, EU:C:2017:218; Stichting Brein, C-610/15, EU:C:2017:456; VCAST, C-265/16, EU:C:2017:913; Renckhoff, C-161/17, EU:C:2018:634; and Tom Kabinet, C-263/18, EU:C:2019:1111.

<sup>4</sup> According to some commentators, rather than a unified concept of communication to the public, in its case law the CJEU has created specific *sui generis* groups of communication to the public cases: see B Clark – S Tozzi, “Communication to the

public” under EU copyright law: an increasingly Delphic concept or intentional fragmentation?” [2016] 38(12) EIPR 715, 717.

<sup>5</sup> See M Ficsor, Guide to copyright and related rights treaties administered by WIPO and glossary of copyright and related rights terms [2003], BC-11bis.1.

<sup>6</sup> Article 11(4) WCT mandates compliance with Articles 1 to 21 of and the Appendix to the Berne Convention.

<sup>7</sup> On the concept of making available within Article 8 WCT, see MM Walter, ‘Article 3 Right of communication to the public of works and right of making available to the public of other subject matter’, in MM Walter – S von Lewinski, European copyright law – A commentary [2010:OUP], 975–980.

<sup>8</sup> It may be interesting to contrast EU law-making (and subsequent expansive interpretations of the CJEU) with the US, which took the position that the existing rights of distribution and public performance under the US Act were sufficient to comply with the WIPO Copyright Treaty’s making available right and no changes to the statute were needed in light of its new international obligations: see United States Copyright Office, The making available right in the United States – A report of the Register of Copyrights (February 2016), available at [https://www.copyright.gov/docs/making\\_available/making-available-right.pdf](https://www.copyright.gov/docs/making_available/making-available-right.pdf) (last accessed 19 March 2020), 15–18.

<sup>9</sup> SCF, C-135/10, EU:C:2012:140, para 79; Phonographic Performance (Ireland), C-162/10, EU:C:2012:141, para 30; and Reha Training, C 117/15, EU:C:2016:379, para 35; GS Media, C-160/15, EU:C:2016:644, para 34; Stichting Brein, C-527/15, EU:C:2017:300, para 30; Stichting Brein, C-610/15, EU:C:2017:456, para 25.

<sup>10</sup> S Karapapa, ‘The requirement for a “new public” in EU copyright law’ [2017] 42(1) EL Rev 63, 66.

<sup>11</sup> SGAE, para 38; SCF, para 84; Phonographic Performance (Ireland), C-162/10, EU:C:2012:141, para 33; ITV Broadcasting, C-607/11, EU:C:2013:147, para 32; Svensson

and Others, C-466/12, EU:C:2014:76, para 21; OSA, C-351/12, EU:C:2014:110, para 27; Sociedade Portuguesa de Autores CRL, C-151/15, EU:C:2015:468, para 19; SBS Belgium, C-325/14, EU:C:2015:764, para 21; GS Media, C-160/15, EU:C:2016:644, para 36; Stichting Brein, C-527/15, EU:C:2017:300, para 45; AKM, C-138/16, EU:C:2017:218, para 24; Stichting Brein, C-610/15, EU:C:2017:456, paras 27 and 42.

<sup>12</sup> Opinion of Advocate General Antonio Mario La Pergola in EGEDA, C-293/98, EU:C:1999:403, para 20. See further PB Hugenholtz – SC Van Velze, ‘Communication to a new public? Three reasons why EU copyright law can do without a “new public”’ [2016] 47(7) IIC 797, 802–803.

<sup>13</sup> SGAE, C-306/05, EU:C:2006:764, paras. 40 and 42; Organismos Sillogikis Diacheirisis Dimiourgou Theatrikon kai Optikoakoustikon Ergon, C-136/09, EU:C:2010:151, para 39; Football Association Premier League and Others, C-403/08 and C-429/08, EU:C:2011:631, para 197; Airfield and Canal Digitaal, C-431/09, EU:C:2011:648, para 72; Svensson and Others, C-466/12, EU:C:2014:76, para 24; OSA, C-351/12, EU:C:2014:110, para 31; Reha Training, C 117/15, EU:C:2016:379, para 45; GS Media, C-160/15, EU:C:2016:644, para 37; Stichting Brein, C-527/15, EU:C:2017:300, para 47; Stichting Brein, C-610/15, EU:C:2017:456, para 28; Renckhoff, C-161/17, EU:C:2018:634, para 24. But cf AKM, C-138/16, EU:C:2017:218, paras 26–27, suggesting that consideration of whether the communication at hand is addressed to a ‘new public’ is required also when the specific technical means used is different. On whether terms and conditions of use of a certain website might be relevant to determine whether the public targeted by the defendant’s link is ‘new’, see (arguing in the negative) P McBride, ‘The “new public” criterion after Svensson: the (ir)relevance of website terms and conditions’ [2017] 2017/3 IPQ 262, 275–277.

With regard to the notion of ‘act of communication’, case law appears now solidly oriented in the sense of requiring the mere making available of a copyright work – not also its actual transmission<sup>14</sup> – in such a way that the persons forming the public may access it, irrespective of whether they avail themselves of such opportunity.<sup>15</sup>

In cases where the CJEU has held the making available of a work sufficient, the Court has however indicated the need to consider whether there is a necessary and deliberate intervention on the side of the user/defendant, without which third parties could not access the work at issue. More specifically, the user performs an act of communication when it intervenes – in full knowledge of the consequences of their action – to give access to a protected work to its customers, and does so, in particular, where, in the absence of that intervention, their customers would not, in principle, be able to enjoy the work.<sup>16</sup> In this sense, the intervention of the user/defendant must result from a role that is ‘incontournable’, that is an essential/indispensable role.<sup>17</sup>

With particular regard to the notion of essentiality/indispensability of one’s own intervention, the Court has recently clarified that an intervention which *facilitates* access to unlicensed content that would be otherwise more difficult to locate qualifies as an essential/indispensable intervention. Over time the CJEU has dismissed attempts to interpret this criterion narrowly. A clear example is *GS Media*, C-160/15. In his Opinion in that case, AG Wathelet had excluded tout court that the unauthorized provision of a link to a copyright work – whether published with the consent of the rightholder or not – could be classified as an act of communication to the public. This would be so on consideration that, to establish an act of communication, the intervention of the ‘hyperlinker’ must be vital or indispensable in order to benefit from or enjoy the relevant copyright work. Hyperlinks posted on a website that direct to copyright works freely accessible on another website cannot be classified as an ‘act of communication’: the intervention of the operator of the website that posts the hyperlinks is not indispensable to the making available of the works in question to users.<sup>18</sup>

Another criterion considered by the CJEU is whether the user/defendant merely provides physical facilities or not. While the mere provision of physical facilities does not amount to an act of communication to the public (Recital 27), the installation of such facilities may make the public access to copyright works technically possible, and thus fall within the scope of Article 3(1) of the InfoSoc Directive.<sup>19</sup>

In addition to the requirements of an act of communication directed to a public, the Court has also considered – from time to time – other non-autonomous and interdependent criteria (having no clear textual basis), necessary to undertake an individual assessment of the case at issue. Such criteria may, in different situations, be present to widely varying degrees. They must be applied both individually and in their interaction with one another.<sup>20</sup> In *GS Media*, C-160/15 the Court, among other things, relied in particular on the ‘profit-making’ character of the communication at issue to determine potential liability of the ‘hyperlinker’ for the posting of links to unlicensed content. Prior to *GS Media*, C-160/15, the profit-making character of the communication at issue had not been given the centrality that it did instead acquire in that case: in *Reha Training*, C-117/15, for instance, the Grand Chamber of the CJEU considered that this criterion, while not irrelevant, would not be however decisive.<sup>21</sup> In *GS Media*, C-160/15, instead, the Court adopted a rebuttable presumption that ‘when the posting of hyperlinks is carried out for profit, it can be expected that the person who posted such a link carries out the necessary checks to ensure that the work concerned is not illegally published on the website to which those hyperlinks lead, so that it must be presumed that that posting has occurred with the full knowledge of the protected nature of that work and the possible lack of consent to publication on the internet by the copyright holder.’<sup>22</sup> Overall, in the context of communication to the public by linking, the Court deemed it necessary to move towards an assessment in which the subjective element is decisive to determine *prima facie* liability.<sup>23</sup>

The operation of this presumption was confirmed in the subsequent ruling in *Stichting Brein*, C-527/15.<sup>24</sup> As discussed more at length elsewhere, it might not be

<sup>14</sup> This appeared to be the case in: *Circul Globus Bucuresti*, C-283/10, EU:C:2011:772, para 40; *Football Association Premier League and Others*, C-403/08 and C-429/08, EU:C:2011:631, paras. 190, 193, and 207; *OSA*, C-351/12, EU:C:2014:110, para 25; *SBS Belgium*, C-325/14, EU:C:2015:764, para 16; and *Reha Training*, C 117/15, EU:C:2016:379, para 38.

<sup>15</sup> *SGAE*, C-306/05, EU:C:2006:764, para 43; *Svensson and Others*, C-466/12, EU:C:2014:76, para 19; *GS Media*, C-160/15, EU:C:2016:644, para 27; *Stichting Brein*, C-527/15, EU:C:2017:300, para 36, *AKM*, C-138/16, EU:C:2017:218, para 20; *Stichting Brein*, C-610/15, EU:C:2017:456, para 19; *Renckhoff*, C-161/17, EU:C:2018:634, para 20. On the accessibility criterion, see (critically) *J Koo*, ‘Away we Ziggo: the latest

chapter in the EU communication to the public story’ [2018] 13(7) *JIPLP* 542, 545–546.

<sup>16</sup> *SGAE*, C-306/05, EU:C:2006:764, para 42; *Football Association Premier League and Others*, C-403/08 and C-429/08, EU:C:2011:631, paras. 194 and 195; *Airfield and Canal Digitaal*, C-431/09, EU:C:2011:648, para 79; *SCF*, C-135/10, EU:C:2012:140, para 82; *Phonographic Performance (Ireland)*, C-162/10, EU:C:2012:141, para 31; *Reha Training*, C 117/15, EU:C:2016:379, para 46; *GS Media*, C-160/15, EU:C:2016:644, para 35; *Stichting Brein*, C-527/15, EU:C:2017:300, para 31; *Stichting Brein*, C-610/15, EU:C:2017:456, para 26.

<sup>17</sup> While in the original language version (French) of relevant judgments use of the adjective ‘incontournable’ is consistent, in the English versions that is not always the

case: eg, in *Reha Training*, C 117/15, EU:C:2016:379, para 46, and *GS Media*, C-160/15, EU:C:2016:644, para 35, the adjective ‘indispensable’ is used, while in *Stichting Brein*, C-527/15, EU:C:2017:300, para 31, and *Stichting Brein*, C-610/15, EU:C:2017:456, para 26 the adjective ‘essential’ is employed. See however *GF Frosio*, ‘To filter or not to filter? That is the question in EU copyright reform’ [2018] 36(2) *AELJ* 101, 114, suggesting that there would be instead a difference between the standards of ‘indispensability’ and ‘essentiality’ of one’s own role.

<sup>18</sup> Opinion of Advocate General Melchior Wathelet in *GS Media*, C-160/15, EU:C:2016:221, paras 57 to 60.

<sup>19</sup> *SGAE*, C-306/05, EU:C:2006:764, paras 45 to 47.

<sup>20</sup> *GS Media*, C-160/15, EU:C:2016:644, para 34,

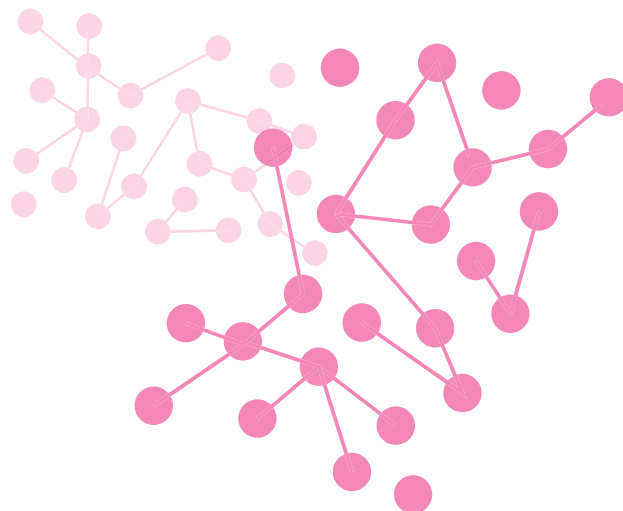
self-evident whether the presence of a profit-making intention should be assessed in relation to the specific act of communication at hand, or the broader context in which such act is performed. Although both alternatives may be plausible, consideration of the context in which the relevant link is provided is more in line with existing CJEU case law, both preceding and following *GS Media*, C-160/15.<sup>25</sup> In *SGAE*, C-306/05, *Football Association Premier League and Others*, C-403/08 and C-429/08, and *Reha Training*, C-117/15, in fact, the Court considered that the profit-making nature of the communication would be apparent from the fact that the defendants transmitted the relevant works in their own establishment (hotels, a public house, and a rehabilitation centre, respectively) in order to benefit therefrom and attract customers to whom the works transmitted are of interest.<sup>26</sup> In *Stichting Brein*, C-527/15, the CJEU identified the profit-making intention of the defendant in the circumstance that the relevant multimedia player ‘is supplied with a view to making a profit, the price for the multimedia player being paid in particular to obtain direct access to protected works available on streaming websites without the consent of the copyright holders.’<sup>27</sup>

## 2. LIABILITY OF PLATFORM OPERATORS FOR THE DOING OF ACTS OF COMMUNICATION TO THE PUBLIC: THE PIRATE BAY CASE

In its 2017 judgment in *Stichting Brein*, C-610/15, the CJEU further developed its construction of the right of communication to the public within Article 3(1) of the *InfoSoc Directive*, and clarified under what conditions the operators of an unlicensed online platform are potentially liable for copyright infringement. The operators of a platform that makes available to the public third-party uploaded copyright content and provides functions such as indexing, categorization, deletion and filtering of content may be liable for copyright infringement, jointly with the users. For a finding of liability it is not required that the operators possess actual knowledge of the infringing character of the content uploaded by users.

This reference to a preliminary ruling from the Dutch

Supreme Court arose in the context of litigation between Dutch anti-piracy foundation BREIN and two internet access providers regarding the application, by the former, for an order that would require the latter to block access for their customers to the website of the Pirate Bay. An engine for peer-to-peer (P2P) file-sharing, the Pirate Bay does not host any protected works. However, it operates a system by means of which metadata on protected works which is present on the users’ computers is indexed and categorized for users, so that the users can trace, upload and download the protected works on the basis thereof. It is estimated that the near totality (90% to 95%) of the files shared on the network of the Pirate Bay contain copyright works distributed unlawfully.<sup>28</sup> Despite several attempts to prevent access to the Pirate Bay, including blocking injunctions against ISPs (Internet Service Providers) in several jurisdictions, the platform – also by using different domain names – remains easily accessible.



referring to: *SCF*, C-135/10, EU:C:2012:140, para 79; *Phonographic Performance (Ireland)*, C-162/10, EU:C:2012:141, para 30; and *Reha Training*, C 117/15, EU:C:2016:379, para 35.

<sup>21</sup> *Reha Training*, C 117/15, EU:C:2016:379, para 49, referring to: *ITV Broadcasting and Others*, C 607/11, EU:C:2013:147, para 43; and *Football Association Premier League and Others*, C 403/08 and C 429/08, EU:C:2011:631, para 204. Commenting favourably on the consideration of the profit-making character of the communication at issue, see P Mysoor, ‘Unpacking the right of communication to the public: a closer look at international and EU copyright law’ (2013) 2013/2 IPQ 166, 182.

<sup>22</sup> *GS Media*, C-160/15, EU:C:2016:644, para 51.

<sup>23</sup> On this, see [critically] TE Synodinou,

‘Decoding the Kodi box: to link or not to link?’ (2017) 39(12) EIPR 733, 735.

<sup>24</sup> *Stichting Brein*, C-527/15, EU:C:2017:300, paras 49 and 51.

<sup>25</sup> E Rosati, ‘GS Media and its implications for the construction of the right of communication to the public within EU copyright architecture’ (2017) 54(4) CML Rev 1221, 1237–1238. In a similar sense, see also B Clark – J Dickinson, ‘Theseus and the labyrinth? An overview of “communication to the public” under EU copyright law: after *Reha Training* and *GS Media* where are we now and where do we go from here?’ (2017) 39(5) EIPR 265, 269–270. Submitting instead that the profit-making intention of the ‘hyperlinker’ is to be appreciated with regard to the particular act of hyperlinking, see T Rendas, ‘How Playboy photos compromised

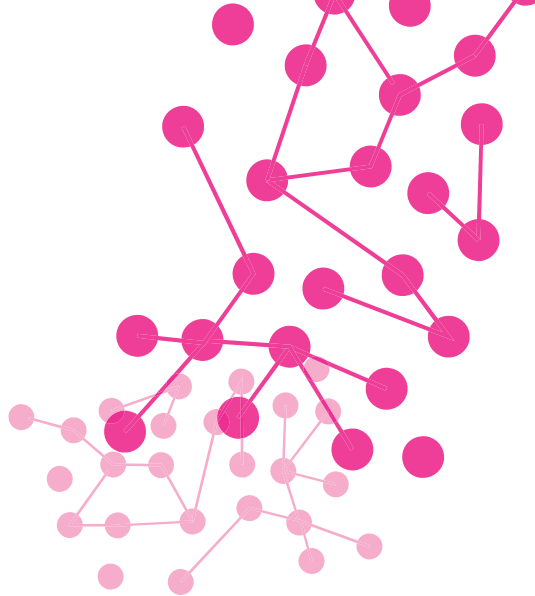
EU copyright law: the *GS Media* judgment’ (2017) J Internet L 11, 14.

<sup>26</sup> *SGAE*, C-306/05, EU:C:2006:764, para 44; *Football Association Premier League and Others*, C-403/08 and C-429/08, EU:C:2011:631, paras 205–206; *Reha Training*, C 117/15, EU:C:2016:379, paras 63–64.

<sup>27</sup> *Stichting Brein*, C-527/15, EU:C:2017:300, para 51.

<sup>28</sup> Opinion of Advocate General Maciej Szpunar in *Stichting Brein*, C-610/15, EU:C:2017:99, para 23.





The Dutch Supreme Court sought guidance from the CJEU on whether the operators of a website like the Pirate Bay are to be regarded as making acts of communication to the public within the meaning of Article 3(1) of the InfoSoc Directive. To answer this question the CJEU noted that the right of communication to the public, on the one hand, has a preventive character and must be interpreted broadly and, on the other hand, requires an individual assessment that depends on the circumstances at issue.<sup>29</sup> The Court agreed with AG Szpunar that there would be no dispute that acts of communication to the public are being made<sup>30</sup>, and are directed to a 'public' (a 'new public').<sup>31</sup> The point was however to determine whether the platform operators could be responsible for them.

Considering the first requirement in Article 3(1), i.e. the need for an 'act of communication', the Court acknowledged that the works made available to the users of the Pirate Bay are placed online on that platform not by the platform operators but by users. However, by making that platform available and managing the platform, its operators provide users with access to the works concerned. They can therefore be regarded as playing an essential role in making the works in question available. As regards the requirement of full knowledge of the relevant facts, this is satisfied by consideration of how the Pirate Bay operators index torrent files so to allow users of the platform to locate those works and share them within the context of a P2P network. Without such intervention, it would not be possible or it would be more difficult for users to share the works.

The Court also dismissed the argument that the Pirate Bay operators could be regarded as providing mere physical facilities for enabling or making a communication, thus falling outside the scope of Article 3(1). The undertaking by The Pirate Bay operators of indexing, categorization, deletion, or filtering activities rules out any assimilation to the mere provision of facilities within the meaning of Recital 27. The making available and management of an online sharing platform must be therefore considered an act of communication for the purposes of Article 3(1).<sup>32</sup>

Turning to the requirement that the communication at hand must be directed to a 'new public', i.e. a public not

taken into account by the copyright holders when they authorized the initial communication, the CJEU concluded that also this requirement would be met. The court referred to the fact that the Pirate Bay operators were informed that their platform provides access to works published without authorization of the relevant rightholders.<sup>33</sup> However, the CJEU did not limit liability to situations of actual knowledge (as instead the AG had done): it also included constructive knowledge ('could not be unaware') and arguably more. In relation to constructive knowledge, the Court observed how the Pirate Bay operators

*could not be unaware that this platform provides access to works published without the consent of the rightholders, given that, as expressly highlighted by the referring court, a very large number of torrent files on the online sharing platform [the Pirate Bay] relate to works published without the consent of the rightholders. In those circumstances, it must be held that there is communication to a 'new public'.<sup>34</sup>*

Liability based on 'constructive' knowledge echoes – though the Court did not mention it – the reasoning in the decision in *L'Oréal and Others*, C-324/09 notably the part in which the CJEU suggested that the safe harbour within Article 14 of the E-commerce Directive would not apply to an information society service which is aware of facts or circumstances on the basis of which a diligent economic operator should have identified the illegality in question and acted in accordance with Article 14(1)(b) of the E-commerce Directive.<sup>35</sup>

The Court could have limited liability to situations of actual or constructive knowledge (as per the 'diligent economic operator' criterion). However, if this were the case, it would be difficult to understand the meaning of paragraphs 46 and 47 of the judgment, in which the CJEU referred to the profit-making intention of the defendants and seemingly linked that to a finding of *prima facie* liability:

*[46] Furthermore, there can be no dispute that the making available and management of an online sharing platform, such as that at issue in the main proceedings, is carried out with the purpose of obtaining profit therefrom, it being clear from the observations submitted to the Court that that platform generates considerable advertising revenues.*

*[47] Therefore, it must be held that the making available and management of an online sharing platform, such as that at issue in the main proceedings, constitutes a 'communication to the public', within the meaning of Article 3(1) of Directive 2001/29.*

Although it did not refer explicitly to it, the Court had *GS Media*, C-160/15 in mind (the Judge-Rapporteur was the same in both cases: Marko Ilesić), when it appeared to link together the making available and management of an online sharing platform, the profit-making intention of their operators, and *prima facie* liability under Article 3(1). In particular, the relevant part of that judgment is

paragraphs 47 to 54. Like in that case, in *Stichting Brein*, C-610/15 the CJEU implied that the operator of an online platform that does so ‘with the purpose of obtaining profit therefrom’ (paragraph 46 of *Stichting Brein*, C-610/15) can be expected to have undertaken all the necessary checks to ensure that the work concerned is not illegally published on the website to which those hyperlinks lead, so that it must be presumed that that posting has occurred with the full knowledge of the protected nature of that work and the possible lack of consent to publication on the internet by the copyright holder. In such circumstances, so far as that rebuttable presumption is not rebutted, the act of posting a hyperlink to a work which was illegally placed on the internet constitutes a ‘communication to the public’ within the meaning of Article 3(1) of the InfoSoc Directive (paragraph 51 of *GS Media*, C-160/15).

This interpretation finds support in two additional considerations. The first one is that the reasoning of the Court follows extensively *Stichting Brein*, C-527/15 (also there the Judge-Rapporteur was Iľešić). In particular, the Court referred with approval to paragraph 50 of that judgment, in which the CJEU had concluded that both the indispensable intervention of the defendant/user and its profit-making intention would lead to a finding of liability under Article 3(1) of the InfoSoc Directive. As mentioned above, in *Stichting Brein*, C-527/15 the CJEU confirmed the validity and application of the *GS Media* presumption of knowledge. The second consideration is that ‘knowledge’ must not be intended in a subjective sense, i.e. as actual awareness of third-party infringements by the platform operators, but rather – in line with earlier CJEU case law – as knowledge and acceptance of the possible consequences of one’s own conduct.

Hence, it is not convincing to suggest that *Stichting Brein*, C-610/15 is silent regarding the treatment of situations in which the operators of an online platform that

makes available third-party uploaded content have no actual knowledge of the unlawful character of the content thus made available, but nonetheless pursue a profit. On the contrary, this decision follows the same reasoning of the earlier CJEU decisions in *GS Media*, C-160/15 and *Stichting Brein*, C-527/15: a profit-making intention on the side of the defendant may be sufficient to trigger a rebuttable presumption of knowledge, by the defendant, of the character – licensed or not – of the content communicated through its platform.<sup>36</sup>

### 3. APPLICABILITY TO LESS EGREGIOUS SCENARIOS

Even a couple of years after the decision in *Stichting Brein*, C-610/15, irrespective of the recent legislative innovation brought about by Article 17 of Directive 2019/790<sup>37</sup>, it remains uncertain to what extent the conclusion achieved therein may be applied to less egregious scenarios than the *Pirate Bay* under Article 3 of the InfoSoc Directive alone (or, in any case, prior to the 2019 EU copyright reform).

According to the CJEU, an ‘intervention’ for the purpose of determining what amounts to an act of communication merely requires, in fact, the making of acts of indexing, categorization, deletion, or filtering of content. It is not relevant whether such activities are carried out manually or automatically, eg algorithmically: it is sufficient that a system is put in place to perform such activities. How many platforms would be caught within such broad understanding of intervention as *incontournable*?

National case law has begun emerging, although the issue remains controversial. This is also due to the fact that it is unclear whether the safe harbour for hosting providers within Article 14 of Directive 2000/31<sup>38</sup> (the E-commerce Directive) would be available.<sup>39</sup>

<sup>29</sup> *Stichting Brein*, C-610/15, EU:C:2017:456, para 22.

<sup>30</sup> *Ibid*, para 35.

<sup>31</sup> *Ibid*, paras 40–44.

<sup>32</sup> *Ibid*, paras 36–39.

<sup>33</sup> *Ibid*, para 45.

<sup>34</sup> *Ibid* [emphasis added].

<sup>35</sup> *L’Oréal SA and Others*, C-324/09, EU:C:2011:474, para 120. See further, E Rosati, ‘The CJEU *Pirate Bay* judgment and its impact on the liability of online platforms’ [2017] 39(12) *EIPR* 737, 743–744. For a discussion of the nature of ‘limitation’ or ‘exemption’ of the safe harbour within Article 14 of the E-commerce Directive, see further E Rosati, ‘Why a reform of hosting providers’ safe harbour is unnecessary under EU copyright law’ [2016] 38(11) *EIPR* 668, 671–672.

<sup>36</sup> See, contra, C Angelopoulos, ‘Communication to the public and accessory copyright infringement’ [2017] 76(3) *CLJ* 496, 498.

<sup>37</sup> Directive [EU] 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market and amending Directives 96/9/EC and 2001/29/EC, OJ L 130, 17.5.2019, p. 92–125. Article 17 concerns the ‘[u]se of protected content by online content-sharing service providers’ and mandates a licensing obligation on their side, on consideration that the Directive clarifies ‘that online content-sharing service providers perform an act of communication to the public or of making available to the public when they give the public access to copyright-protected works or other protected subject matter uploaded by their users. Consequently, online content-sharing service providers should obtain an authorisation, including via a licensing agreement, from the relevant rightholders. This does not affect the concept of communication to the public or of making available to the public

elsewhere under Union law, nor does it affect the possible application of Article 3(1) and (2) of Directive 2001/29/EC to other service providers using copyright-protected content.’ (Recital 64).

<sup>38</sup> Directive 2000/31/EC of the European Parliament and of the Council of 8 June 2000 on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market, OJ L 178, 17.07.2000, 1–16.

<sup>39</sup> For a discussion of selected national experiences (in the EU: France, Germany, Netherlands, Poland, Spain, Sweden, and UK), see further the questionnaires in JP Quintais, *Global Online Piracy Study – Legal Background Report* (July 2018), available at <<https://www.ivir.nl/publicaties/download/Global-Online-Piracy-Study-Legal-Background-Report.pdf>> (last accessed 19 March 2020).

A court in Austria (in the context of interim proceedings) has recently ruled that YouTube performs acts of communication to the public and may be therefore liable, on a primary basis, for the making available of infringing UUC.<sup>40</sup> Similarly, courts in Italy have found that: (1) Facebook would be liable for hosting links to third-party unlicensed content<sup>41</sup> and (2) the operators of Dailymotion would be directly liable for the making available of infringing content uploaded by users.<sup>42</sup> The Regional Court of Hamburg ruled that the Usenet provider UsenetXT would be liable if it promoted third-party unauthorized making available and sharing of protected content<sup>43</sup>, and Germany's Federal Court of Justice in Germany is also expected to rule on whether YouTube might be regarded as primarily responsible (and liable) for acts of communication to the public.<sup>44</sup> The claimant in the latter case is a music producer who sued Google/YouTube over the unauthorized making available, on the defendants' platform, of videos containing musical works from the repertoire of a soprano. The claimant signed an exclusive contract with this singer in 2006, allowing him to exploit recordings of her performances. In 2008 unauthorized videos featuring such performances were made available on YouTube. Following a takedown request, these videos removed from YouTube, but infringing material was made available once again shortly afterwards. In 2010 the first instance court sided with the claimant in respect of three songs, and dismissed the action for the remaining claims.<sup>45</sup> Both the producer and Google/YouTube appealed the decision and, in 2015, the appellate court only partly sided with the producer. Most importantly, it rejected the idea that YouTube could be regarded as primarily liable for the making available of infringing content, although it found that liability would subsist under the 'Störerhaftung' doctrine (a form of accessory liability) under §97(1) UrhG.<sup>46</sup> In September 2018 the German court decided to stay the proceedings and made a reference for a preliminary ruling to the CJEU. The referral, C-682/18, seeks guidance on the question whether the operator of an online video platform on which users make available to the public copyright protected content without the right owners' consent commit

acts of communication to the public within the meaning of Article 3(1) of the InfoSoc Directive when:

- the platform makes revenue from advertisements, the uploads are an automated process without any control or checks by the platform before the content goes online,
- the platform receives, according to the Terms of Service (TOS), a worldwide, non-exclusive and free license for the uploaded videos for the duration the video is online,
- the platform provides rights owners with tools to have infringing content removed.
- the platform sorts videos into categories and lists them by ranking, and suggests further videos to registered users according to videos previously watched provided the platform does not have actual knowledge of illegal activity or information or upon obtaining such knowledge or awareness, acts expeditiously to remove or to disable access to the information.<sup>47</sup>

#### 4. OTHER IMPLICATIONS: PRIMARY/ SECONDARY LIABILITY AND SAFE HARBOURS

The decision in *Stichting Brein*, C-610/15 has also affected primary and secondary liability, by embracing an autonomous (EU) concept of liability through a process that, according to some commentators, was initiated as early as in *Svensson and Others*, C-466/12.<sup>48</sup> While EU legislature has harmonized the conditions for primary liability, the existence of and conditions for a finding of liability as a secondary infringer have been left to the legal systems of individual Member States.<sup>49</sup> By introducing a knowledge requirement within the scope of primary liability, the CJEU has blurred the distinction between what has been traditionally regarded as a strict liability tort (primary infringement) and liability informed by the defendant's subjective state of actual or constructive knowledge (secondary infringement).<sup>50</sup> All this is likely to result in practical uncertainties for those EU jurisdictions with a secondary liability regime, notably liability by authorization.<sup>51</sup>

<sup>40</sup> Handelsgericht Wien, 11 Cg 65/14t – 56.

<sup>41</sup> Tribunale di Roma, decision 3512/2019.

<sup>42</sup> Tribunale di Roma, decision 14757/2019.

<sup>43</sup> LG Hamburg, 308 O 314/16.

<sup>44</sup> Bundesgerichtshof, I ZR 140/15 – Haftung von YouTube für Urheberrechtsverletzungen.

<sup>45</sup> LG Hamburg, 308 O 27/09.

<sup>46</sup> OLG Hamburg, 5 U 175/10.

<sup>47</sup> At the time of writing the case is still pending.

<sup>48</sup> A Ohly, 'The broad concept of "communication to the public" in recent CJEU judgments and the liability of intermediaries: primary, secondary or unitary liability?' [2018] 13(8) *JIPLP* 664, 670-671. In the same sense, see: also with regard to the impact on German law, JB Nordemann, 'Recent CJEU case law

on communication to the public and its application in Germany: a new EU concept of liability' [2018] 13(9) *JIPLP* 744, 745; and, also with regard to UK law, N Cordell – B Potts, 'Communication to the public or accessory liability? Is the CJEU using communication to the public to harmonise accessory liability across the EU?' [2018] 40(5) *EIPR* 289, 293.

<sup>49</sup> GF Frosio, 'From horizontal to vertical: an intermediary liability earthquake in Europe' [2017] 12(7) *JIPLP* 565, 570, recalls that in the majority of EU Member States, secondary liability is subject to highly demanding conditions that are derived from miscellaneous doctrines of tort law, such as the doctrines of joint tortfeasance, authorization,

inducement, common design, contributory liability, vicarious liability or extra-contractual liability. See also M Leistner, 'Structural aspects of secondary (provider) liability in Europe' [2014] 9(1) *JIPLP* 75, 87-90, addressing the question whether common principles of secondary liability may be discerned.

<sup>50</sup> C Angelopoulos, 'CJEU decision on *Ziggo*: The Pirate Bay communicates works to the public' [30.06.2017], Kluwer Copyright Blog, available at <<http://copyrightblog.kluweriplaw.com/2017/06/30/cjeu-decision-ziggo-pirate-bay-communication-works-public/>> [last accessed 19 March 2020].

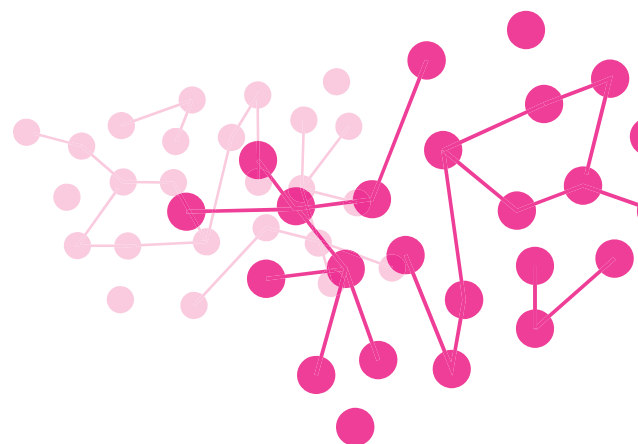
The decision in *Stichting Brein*, C-610/15 also raises the question whether a platform that is primarily liable for unauthorized acts of communication to the public can nonetheless invoke the safe harbour regime available to hosting providers under Article 14 of the E-commerce Directive. Considering the relationship between liability under the InfoSoc Directive and applicability of the E-commerce Directive safe harbours, while the former is without prejudice to the provisions of the latter (Recitals 16 and 20 of the InfoSoc Directive), confirmation that the operators of an online platform may be jointly liable with users for copyright infringement should have indeed an impact on the applicability of Articles 12 to 14 of the E-Commerce Directive, in the sense of excluding it.

By proposing the adoption of the E-commerce Directive, the European Commission sought to clarify the responsibility of providers for transmitting and storing information at the request of third parties, that is when providers act as mere intermediaries. Although outside the scope of the present contribution, a similar trend towards a greater responsabilization of providers may be also found in recent decisions of the European Court of Human Rights (ECtHR), eg *Delfi v Estonia*<sup>52</sup> and *Magyar Tartalomszolgáltatók v Hungary*<sup>53</sup>, which suggest that in certain situations the mere provision of a notice-and-takedown system may be insufficient. It appears that the insulation<sup>54</sup> provided by the safe harbour regime does not apply to providers that go beyond a passive role of intermediary. This means that a provider that was found liable for the making of unauthorized acts of communication to the public should be also regarded as playing an 'active role' (in the sense clarified by the CJEU in *L'Oréal and Others*, C-324/09) and should be, as such, ineligible for the protection offered under Article 14 of the Ecommerce Directive.<sup>55</sup>

This conclusion, which remains open to discussion<sup>56</sup>, is supported by both textual references to the wording of the E-commerce Directive and CJEU case law.<sup>57</sup> In *Google France and Google*, C-236/08 to C-238/08, the CJEU held that the exemptions from liability established in the

E-commerce Directive cover only cases in which the activity of the information society service provider is 'of a mere technical, automatic and passive nature', which implies that that service provider 'has neither knowledge of nor control over the information which is transmitted or stored'.<sup>58</sup>

Further clarity on this point may be required. A possible solution may be however to interpret the presumption imposed by the CJEU in *GS Media*, C-160/15 as part of a broader obligation to conform to the behaviour of a 'diligent economic operator'. In this sense, operators of platforms with a profit-making intention would have an *ex ante* reasonable duty of care and be subject to an *ex post* notice-and-takedown system<sup>59</sup>, which would also include an obligation to prevent infringements of the same kind, eg by means of re-uploads of the same content. Albeit in the different context of intermediary injunctions, the CJEU has already clarified that requiring a provider to take measures which contribute, not just to bringing to an end existing infringements, but also preventing further infringements of that kind are compatible with Article 15(1) of the E-Commerce Directive as long as the relevant order is effective, proportionate, dissuasive and does not create barriers to legitimate trade.<sup>60</sup>



<sup>51</sup> See GB Dinwoodie, 'A comparative analysis of the secondary liability of online service providers' in GB Dinwoodie (ed), *Secondary liability of internet service providers* (Springer:2017), 8, noting that the concept of 'authorization' in this context is such as to establish 'an act of nominally primary liability that clearly maps in substance to conventional forms of secondary or joint tort-feasor liability.'

<sup>52</sup> *Delfi AS v Estonia*, App No 64569/09, 16.06.2015.

<sup>53</sup> *Magyar Tartalomszolgáltatók Egyesülete and Index.hu Zrt v Hungary*, App No 22947/13, 02.02.2016.

<sup>54</sup> J Riordan, *The liability of internet intermediaries* (OUP:2016), §12.11.

<sup>55</sup> In the same sense, see also JB Nordemann, *Liability of online service providers for copyrighted content – regulatory action needed?* (2018) Directorate General for Internal Policies – Policy Department A: Economic and Scientific Policy, IP/A/IMCO/2017-08 - PE 614.207, 23.

<sup>56</sup> Arguing that the safe harbour protection would be available in cases of primary and secondary infringements alike, see: M Husovec, *Injunctions against intermediaries in the European Union: accountable but not liable?* (CUP:2017), 56, also referring for support to *Papasavas*, C-291/13, EU:C:2014:2209, and *L'Oréal and Others*, C-324/09, EU:C:2011:474; C Angelopoulos, *European intermediary liability in copyright:*

*A tort-based analysis* (Wolters Kluwer:2017), 68; J Riordan, *The liability of internet intermediaries* (OUP:2016), §12.11, §§12.01 and 12.37.

<sup>57</sup> *L'Oréal and Others*, C-324/09, EU:C:2011:474, para 113, referring to *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159, paras 114 and 120.

<sup>58</sup> *Google France and Google*, C-236/08 to C-238/08, EU:C:2010:159, para 113.

<sup>59</sup> In this sense, M Leistner, 'Closing the book on the hyperlinks: brief outline of the CJEU's case law and proposal for European legislative reform' [2017] 39(6) *EIPR* 327, 331.

<sup>60</sup> *L'Oréal and Others*, C-324/09, EU:C:2011:474, paras 139 and 144.



## 5. PIRATE BAY COMING TO TRADE MARK LAW TOO?

The evolution seen in the copyright field may not remain limited to this IP right. A similar approach might be also discerned in the trade mark field, both with regard to decisions of national courts<sup>61</sup> and an AG Opinion. The latter is the Opinion of AG Campos Sánchez-Bordona in *Coty*, C-567/18<sup>62</sup> (at the time of writing, the case is still pending), in which he advised the CJEU to rule that – for the sake of applying Articles 9(2)(b) and 9(3)(b) of the EU Trade Mark Regulation 2017/1001<sup>63</sup> (EUTMR) (stocking of goods for the purpose of offering of putting them on the market):

- if a subject (a) has no awareness/knowledge of the infringing character of the goods which they stock and (b) does not intend to offer or put the goods on the market themselves, then there is no liability for the purpose of this provision. However,
- if a subject (eg, Amazon) actively contributes to the distribution of said goods, eg through a programme like Fulfilment by Amazon<sup>64</sup> (which allows the stocking of the goods sold by traders through Amazon and their subsequent delivery to purchasers), then they are deemed to stock the goods within the meaning of the provisions. In this sense, it does not matter whether they possess awareness or knowledge of the infringing character of the goods, insofar as it could have been reasonably expected from them to act to detect the infringement.

The AG considered the various language versions of the EUTMR, and concluded that the meaning of ‘stocking’ implies the possession of goods for commercial goals. Hence, for a trade mark owner to be able to prohibit this activity, two cumulative requirements need to be fulfilled: a material element, that is the possession (posesión) of the infringing goods; and a subjective element, that is the intention to offer the goods on the market through a contract, which includes an offer for sale.

Starting with the former (the material element), it appears necessary to distinguish the situation of warehouse keeper from that of an online marketplace. With regard to the former, it follows from *TOP Logistics*,

C-379/14 that the “provision of a warehouse service for goods bearing another’s trade mark does not constitute use of a sign identical to that trade mark for goods or services identical or similar to those in respect of which the mark is registered. Inasmuch as such a service provider permits such use by its customers, its role cannot be assessed under Directive 89/104 but must be examined, if necessary, from the point of view of other rules of law.”<sup>65</sup> Turning to the latter, *L’Oréal and Others*, C-324/09 indicates that an online marketplace is not even comparable to a warehouse keeper if the activities are of an intermediary nature only.

In a scenario like the one described by the referring court, Amazon would not stock goods for sale within the meaning of Article 9(3)(b) EUTMR. However, based on the parties’ observations and the CJEU hearing, it might be possible that the scenario be actually more complex than the one described by the referring court: the model could actually be an ‘integrated store’ in which Amazon plays an active role in the selling process. The corollary would be that Amazon has an absolute control over said process. In such scenario, it is necessary to distinguish between external elements, that is those elements that the average consumer perceives, and internal elements, that is those elements that relate to the relationship between the seller and Amazon. From the point of view of an end consumer who buys a product from an Amazon seller, it is not always easy to discern whether the relevant goods come from the trade mark owner, from an undertaking linked to it or an unrelated third party. With the Amazon programme, the companies which are part of the Amazon group do not just stock and transport the goods in a neutral fashion: rather, they undertake a much broader range of activities. These include the preparation of the goods for delivery and their delivery, advertising and promotional activities, information to customers, and the refund of the price of faulty goods. Amazon also receives payment for the goods sold, which it then transfers to the seller’s bank account.

Hence, if it was confirmed that indeed the Amazon group companies had provided these services (or, at least, the most important ones), then the conclusion would be that – indeed – the behaviour falls within the scope of application of Article 9(3)(b) EUTMR. Importantly (and correctly), the AG also confirmed that, in the event that

<sup>61</sup> Tribunal de l’entreprise francophone de Bruxelles, decision on 7 August 2019, case No A/19/00918.

<sup>62</sup> Opinion of Advocate General Manuel Campos Sánchez-Bordona in *Coty*, C-567/18, EU:C:2019:103. The analysis is based on E Rosati, ‘AG Campos advises CJEU to rule that Amazon might be potentially liable for trade mark infringement’ (The IPKat), 4 December 2019, available at <<http://ipkitten.blogspot.com/2019/12/ag-campos-advises-cjeu-to->

[rule-that.html](http://ipkitten.blogspot.com/2019/12/ag-campos-advises-cjeu-to-rule-that.html)> (last accessed 19 March 2020).

<sup>63</sup> Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark, OJ L 154, 16.6.2017, 1–99.

<sup>64</sup> See <<https://services.amazon.com/fulfillment-by-amazon/benefits.html>> (last accessed 19 March 2020).

<sup>65</sup> *TOP Logistics*, C-379/14, EU:C:2015:497, para 45.

<sup>66</sup> Proposal for a Directive of the European Parliament and of the Council on copyright in the Digital Single Market, COM(2016) 593.

<sup>67</sup> I made this point in E Rosati, ‘The CJEU Pirate Bay judgment and its impact on the liability of online platforms’ (2017) 39(12) EIPR 737, 746–748.

Amazon was found directly liable for trade mark infringement under that provision, the safe harbours in Article 14 of the E-commerce Directive would not apply. This is nothing new, pointed out the AG: it was clarified by the CJEU as early as *L'Oréal and Others*, C-324/09.

As mentioned, Article 9(3)(b) also requires the fulfilment of a subjective requirement, that is the intention to stock with the purpose to sell/offer. According to the AG, it would be difficult to deny that also the companies of the Amazon group share this intention if their role was not considered a neutral one. The AG also addressed the issue raised by the referring court that the company that stocks is not aware of the infringing nature of the goods stocked. Knowledge of the infringement is relevant in various contexts, including with regard to the applicability of the safe harbours and the calculation of damages, as well as in relation to intermediaries. However, in the case of companies that perform an active role lack of actual knowledge may not be enough to exclude liability.

It is clear that, if the CJEU follows its AG, then – similarly to what has happened in the copyright field – a significant development in the scope and application of direct liability to online platforms, well beyond the classic approach 'safe harbours: YES' / 'safe harbours: NO' would occur.

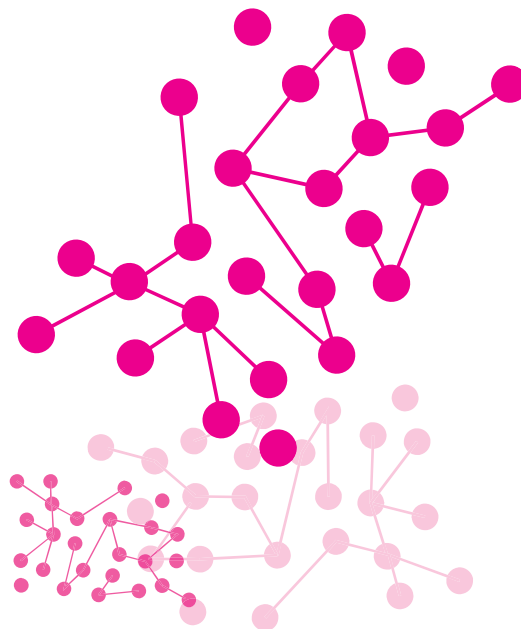
## CONCLUSION

Over time, the CJEU – prompted by a significant number of preliminary referrals – has envisaged a broad construction of the right of communication to the public. One of the most significant developments has been holding that also the operators of a platform that gives access to UUC may, at certain conditions, be deemed as making acts relevant under Article 3(1) of the InfoSoc Directive. The far-reaching issues, which are yet to be fully worked out, of all this are the following: first, whether the findings in *Stichting Brein*, C-610/15 may be applied also to platforms other than those whose core business is piracy; second, whether a distinction between (harmonized) primary and (unharmonized) secondary liability still makes sense; third, whether the safe harbours protection may be even available in principle to platforms that are deemed to make acts of communication to the public.

While the second point mandates further reflection, an answer to the first and final questions seems to have been provided in Article 17 of Directive 2019/790. That provision, in both the original proposal<sup>66</sup> and the adopted final version, moves from the assumption that a platform that gives access to UUC directly makes acts of communication to the public. With regard to safe harbour availability, while the EU Commission's original proposal envisaged the applicability of Article of the E-commerce Directive also to platforms that are potentially liable under Article 3(1) of the InfoSoc Directive, the final version excludes the applicability of insulation provided by Article 14 of the E-commerce Directive, at least as far as liability arising in copyright is concerned. All this stands as a demonstration that the path towards increased responsabilization and enhanced liability of intermediaries is already well underway, and judicial and policy discourse are proceedings along similar – if not the same – paths.<sup>67</sup>

Finally, a similar – if not identical – approach may emerge in the field of trade mark law. Although the AG Opinion in *Coty*, C-567/18 is built through several 'hypotheticals' (including the main one, i.e. whether Amazon's activity actually falls within the scope of application of Article 9(2) EUTMR and, so Article 9(3), in the first place), it also provides two important indications. The first is that a platform that plays an 'active role' not only would fall in a *L'Oréal*-like scenario (a secondary/indirect liability scenarios resulting from the inapplicability of the hosting safe harbour), but could actually be considered as directly infringing trade mark rights. The second is that a platform that is directly liable for IPR infringements is not eligible for the hosting safe harbour in Article 14 of the e-Commerce Directive. The two points noted allow the creation of a significant parallel with similar issues that have arisen in the copyright sphere.

Post-scriptum: On 2 April 2020, the CJEU issued its ruling in *Coty*, C-567/18 (EU:C:2020:267). Unlike the AG Opinion, the Court limited its analysis to answering the tightly-drafted question referred to it, without exploring the possibility of the platform's own direct liability.



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