Embedding in a State of Flux: New York Courts Challenge Decade Old Reasoning from the Ninth Circuit

By Adam R. Bialek and Sarah Fink


For more than a decade, under the protection developed by the Ninth Circuit in *Perfect 10, Inc. v. Amazon, Inc.*, 508 F.3d 1146 (9th Cir. 2007), website operators used content from other sites using in-line links or embeds, while skirting copyright infringement lawsuits. These operators argued that the Ninth Circuit's "Server Test" created a loophole that protected them from violating copyright law, since the website operator never hosted the content on its server, but merely provided directions for the user to find the content on the internet, while seemingly staying focused on the website's page.

In 2018, the protective wall created by the Server Test started to show some cracks when a judge sitting in the Southern District of New York within the Second Circuit, in *Goldman v. Breitbart*, declined to adopt the Server Test and found that embedding content could be considered a violation of the copyright owner's display right. Judges sitting in New York courts have continued the trend started in *Goldman*, and recently have been finding for copyright owners when embedding is at issue.

Sharing and reposting photographs on social media is as technically easy as a cut and paste of a photo or a URL. The environment of many social media sites makes it feel natural and even desirable to share and repost photographs that originally appeared on others' sites and pages. But user beware: it is fairly well established that, absent fair use, a simple cut and paste of a copyrighted photograph from a social media post into another webpage could be a violation of copyright. However, the issue of embedding a link to a copyrighted photo is less settled, and a divide in the circuit courts of appeal—which appears to be in the offing—may require consideration by the U.S. Supreme Court.

The Initial Crack in the Server Test

The Second Circuit, which includes the district courts that sit in New York, and the Ninth Circuit, which includes the district courts that sit in California, are arguably the most important in the country for the development of the laws concerning social media. On the issue of embedding, the Ninth Circuit has held that pasting a link (or using specialized coding) to a webpage with copyrighted material, i.e., "embedding," is not copyright infringement because the host of the embedded link does not make a copy of the original webpage; instead, the link sends the reader to the server with the original copy of the copyrighted material.

On February 15, 2018, in *Goldman v. Breitbart*, Judge Katherine B. Forrest, then of the U.S. District Court for the Southern District of New York, rejected defendants' motion for partial summary judgment and called into question the applicability and rationale behind the 2007 ruling in *Perfect 10*. The Server Test advanced in *Perfect 10* had underpinned the growth of websites offering content that used images stored on other websites through in-line linking, framing, and embedding—coding techniques that permit the display of content served from other sources.

In *Goldman*, the court noted that under the definitions in section 101 of the Copyright Act, to display a work publicly means "to transmit… a… display of the work… by means of *any device or process*." The court further explained that "to transmit a display is to 'communicate it *by any device or process* whereby images or sounds are received beyond the place from where they are sent.'" Finding that the statute was plainly drafted with the intent to include the circumstances found in *Goldman*, the court noted that "devices and processes are further defined to mean ones 'now known or later developed.'" Since it was claimed that the *Goldman* defendants' websites actively took steps to "display" the image (by coding the website to call up the image), the court found that the defendants employed a "process" to display the work. In other words, the court declined to adopt the Server Test.

While Judge Forrest denied the *Goldman* defendants' defense based on the Server Test, she did not determine liability for the plaintiff on the motion. She noted that in *Goldman*, there "are genuine questions about whether plaintiff effectively released his image into the public

domain when he posted it to his Snapchat account." She also noted that there was a "very serious and strong fair use defense, a defense under the Digital Millennium Copyright Act, and limitations on damages from innocent infringement."

Since *Goldman* resolved outside of court after the motion was denied, the Second Circuit never had the opportunity to consider the reasoning behind Judge Forrest's decision. Lacking a viable defense under the Server Test, defendants began to argue that their use of images that had originally appeared on social media sites were licensed uses and permitted under the terms of the social media site. But, the Southern District of New York, with an assist from certain social media sites, has extended the effect that *Goldman* started in challenging the *Perfect 10* Server Test and has been consistent in finding for the plaintiff, absent a showing of fair use.

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Recent Embed Rulings

In two recent cases, the District Court for the Southern District of New York has been presented with license defenses proffered by defendants in copyright cases based on embedding links to photographs on social media. *Ziff Davis v. Sinclair* (No. 18-790); *McGucken v. Newsweek* (No. 19-9617). In both cases, the court considered embedding a link to a photograph that originally appeared in a post on an Instagram account. In both cases, the defendant media outlets (Sinclair and Newsweek) argued that Instagram had granted it a sublicense to the copyrighted photograph based on language in the boilerplate terms of use and policies that a user agrees to when posting on Instagram. And, in both cases, the court explained that the terms of use and other policies of Instagram granted Instagram the right to sublicense a photo posted to it, but that there was no evidence that Instagram had actually granted a sublicense to the defendant. Instagram also recently released a statement to the effect that it does not automatically grant a sublicense to users. *See, e.g.,* "Instagram Just Threw Users of Its Embedding API Under the Bus," June 4, 2020, *Arstechnica.com*.

Instagram, Facebook, and Twitter all use language in their terms of use that grants *the platform* a license to posted material and the right to sublicense anything posted on the site. Pinterest goes further and explicitly grants a license to Pinterest *and its users* to "repin" an original post with copyrighted material, but only on the Pinterest platform. The relevant language from the Pinterest terms of use sets forth:

> You grant Pinterest and our users a non-exclusive, royalty-free, transferable, sublicensable, worldwide license to use, store, display, reproduce, save, modify, create derivative works, perform, and distribute your User Content on Pinterest solely for the purposes of operating, developing, providing, and using Pinterest.

More copyright infringement cases based on embedding links are being filed every day. For example, on October 22, 2020, a group of six plaintiffs sued Buzzfeed for embedding links to copyrighted photos on its website. *Hunley, et al. v. Buzzfeed, Inc.*, S.D.N.Y. No. 20-8844. Each of the photos was initially posted on the photographer's individual Instagram account. Wisely, that group chose to sue in the Southern District of New York, where it appears to be a given that the case will not be dismissed based on a theory of implied sublicense and where the Server Test likely does not apply.

But Fair Use Is Still a Viable Defense

However, as Judge Forrest initially noted in *Goldman,* there remain issues of fair use that need to be addressed. Fair use is still a valid defense under certain circumstances. For example, in *Boesen v. United Sports Publications* (E.D.N.Y. No. 20-1552), plaintiff Boesen claimed that United Sports Publications violated his copyright by embedding a link to an Instagram post that included a photograph taken and copyrighted by Boesen in the *Long Island Tennis* magazine's website. The court, however, found that the use of the embedded content was fair use and dismissed the case. Judge Ross explained that the article *was about the original Instagram post*, which included the photograph and was the medium by which the subject of the photograph announced her retirement from professional tennis. The alleged offending article was not about the contents of the

photograph; therefore, the court viewed it as a transformative, fair use.

Conclusion

For now, it appears that the Southern District of New York judges are leaning toward accepting Judge Forrest's analysis of embedding and taking a limited view of the licenses granted by social media sites. Until this issue reaches the Second Circuit, where affirmance will give rise to a conflict with the Ninth Circuit on the Server Test, website owners and operators will need to be careful when embedding content on their websites, even when using the embed feature of a website.

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