

IN THE SUPREME COURT OF THE STATE OF CALIFORNIA

DVD Copy Control Association, Inc.,  
Plaintiff/Respondent,

v.

Andrew Bunner  
Defendant/Appellant

No. S102588

Court of Appeal  
No. H021153

Santa Clara County  
No. CV 786804

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After Decision By The Court of Appeal

On Appeal from Santa Clara County Superior Court, Hon. William J. Elfving

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**BRIEF OF THE AMERICAN CIVIL LIBERTIES UNION, THE  
AMERICAN CIVIL LIBERTIES UNION OF NORTHERN CALIFORNIA,  
AND SILHA CENTER FOR THE STUDY OF MEDIA ETHICS AND LAW  
AS AMICI CURIAE IN SUPPORT OF DEFENDANT ANDREW BUNNER**

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## INTRODUCTION

When Jon Johansen posted the DeCSS program on the Internet, the secret was out. Within less than three weeks, the Motion Picture Association was receiving reports of postings throughout the world.<sup>1</sup> By the time the complaint in this action was filed, the program could be found on websites in 11 different states and 11 countries.<sup>2</sup> The complaint itself identifies at least 75 websites that were then making DeCSS available, plus an additional 18 websites that were providing links to sites on which the program could be found.<sup>3</sup> In addition, a number of other sites, such as CNET's download.com, had posted the program, but had subsequently removed it in response to DVD CCA's cease and desist demands.<sup>4</sup>

DVD CCA claims that, by posting the DeCSS program on the Internet, defendants have unlawfully disclosed its trade secrets. Its theory is not that defendants are engaged in copyright violations. Nor is it that the defendants are violating the Digital Millennium Copyright Act, 17 U.S.C. §

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<sup>1</sup> See Hoy Reply Dec. ¶¶ 2-3, AA 478-79; Order Granting Preliminary Injunction, AA 712; Shapiro Dec. ¶ 3, RA 15. References to "AA" are to the Appellant's Appendix; references to RA are to the Respondent's Appendix.

<sup>2</sup> Comp. 48, AA 14; Hoy Dec. ¶ 30, RA 10.

<sup>3</sup> Complaint, ¶¶ 1, 5-25, 27-29, AA 2-8.

<sup>4</sup> Order Granting Preliminary Injunction, AA 712, Dec. of Harvey Shapiro ¶ 71, RA 36; *see also Universal City Studios, Inc. v. Corley*, 273 F.3d 429, 439 (2d Cir. 2001) (noting that near the end of 1999, "hundreds" of websites had begun posting DeCSS).

1201 *et seq.* (“DMCA”), by making DeCSS available to others who then may make unlawful copies of DVD movies. Its legal claim is based solely on the theory that publication of DeCSS constitutes a violation of the California Uniform Trade Secrets Act, Cal. Civ. Code § 3426 *et seq.* (“Uniform Trade Secrets Act”). That Act requires, however, that the information sought to be protected be secret.

Despite the pervasive availability of DeCSS, DVD CCA sought and obtained a broad preliminary injunction enjoining the defendants from “Posting or otherwise disclosing or distributing on their websites or elsewhere, the DeCSS program . . . or any other information derived from this proprietary information.”<sup>5</sup> The court of appeal overturned the injunction, finding it to be a prior restraint forbidden by the First Amendment.

The issue before this Court is a very narrow one. The facial validity of the Uniform Trade Secrets Act is not in question. Nor does this case raise the question of the constitutionality of injunctions against those acting in concert with persons who have breached a contractual or fiduciary duty not to disclose a trade secret. The only issue presented by this case is whether the First Amendment permits an injunction prohibiting the

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<sup>5</sup> Order Granting Prelim. Injunc., AA 712.

disclosure by third parties of lawfully obtained and widely disseminated information because its origins may be of questionable pedigree.

The answer to that question is no. A long line of Supreme Court authority is clear on this point. Courts may not enter injunctions prohibiting the disclosure by third parties of lawfully obtained, publicly available material, even where it is known that the original acquisition of the information may have been illegal.

### **THE BASIS FOR THE PRELIMINARY INJUNCTION**

In issuing its preliminary injunction, the trial court recognized that its decision rested upon the resolution of several critical issues of fact: First it had to determine that DeCSS had been created through improper means. That conclusion, in turn, depended upon a showing that DeCSS was, in fact, created through the process of reverse engineering, rather than some other process, and that the reverse engineering constituted a breach of an enforceable “click wrap” agreement. Second, it had to conclude that defendants, none of whom was alleged to be in a fiduciary relationship with DVD CCA, and none of whom was alleged to have breached a contractual obligation not to disclose DVD CCA’s trade secret information, knew or should have known that DeCSS contained trade secret information that was the product of improper conduct by its creator. Finally, it had to determine



whether CSS had lost its trade secret status because of the wide distribution of DeCSS over the Internet.

The foundation for the trial court's factual findings is fragile. The court candidly admitted, for example, that the plaintiff's ability to prove that DeCSS was created in violation of a contractual prohibition on reverse engineering was "problematic." Order Granting Preliminary Injunction, AA 713. It also acknowledged the uncertainty surrounding the question of the enforceability of that prohibition under Norwegian law. *Id.*, AA 714.<sup>6</sup>

Moreover, the trial court had only circumstantial evidence that defendants knew or should have known that DeCSS was acquired through improper means. *Id.*, AA 714. Significantly, as the court of appeal noted, this finding was generic as to all 93 defendants. Of particular relevance here, there was no finding that Andrew Bunner knew that DeCSS was the product of reverse engineering or that such reverse engineering was wrongful. *DVD Copy Control Ass'n v. Bunner*, 113 Cal. Rptr. 2d 338, 344 n.5 (Cal. App. 2001).<sup>7</sup>

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<sup>6</sup> As discussed in the amicus brief being filed by the Intellectual Property Law Professors and the Computer & Communications Industry Ass'n, there is a very substantial question as to the enforceability of such an agreement as a matter of U.S. law, as well.

<sup>7</sup> The trial court based its finding on "boasts" showing disrespect for the law that appeared at various times on the Slashdot website. Order Granting Prelim. Injunc., AA 714; *see* Shapiro Reply Dec. ¶¶ 18-29, AA 348-51. Significantly, none of those "boasts" were made by Bunner. Indeed, Bunner's declaration states that he first became aware of DeCSS by

Finally, and most important for the First Amendment analysis here, the trial court was willing to overlook the fact that, by the time DVD CCA filed its complaint, DeCSS was available far and wide over the Internet. The trial court was “not persuaded that trade secret status should be deemed destroyed at this stage merely by the posting of the trade secret to the Internet.” Order Granting Prelim. Injunc., AA 715. Regardless of whether such a holding can be squared with a substantial body of trade secret law to the contrary,<sup>8</sup> it cannot be squared with the requirements of the First Amendment.

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reading and participating in discussions on Slashdot on approximately October 26, 1999. Bunner Dec. ¶ 4, AA 287. Yet the comments relied upon by DVD CCA to show that others knew that DeCSS contained “stolen” trade secrets are all dated either well before or well after October 26, 1999. See Shapiro Reply Dec. ¶¶ 18-29, AA 348-51. Whatever probative value those comments may have as to those who made them, *cf.* *DVD Copy Control Assn v. Bunner*, 113 Cal. Rptr. 2d 338, 344 n.5 (noting absence of evidence that Bunner had ever contributed any of these comments), they are insufficient to undermine Bunner’s averments in his declaration that, at the time he posted DeCSS on his website, he had no information indicating either that the program contained trade secret information or that the information had been misappropriated. Bunner Dec. ¶¶ 12-13, AA 288.

<sup>8</sup> See, e.g., *Religious Technology Center v. Netcom On-Line Communication Services, Inc.*, 923 F. Supp. 1231, 1256 (N.D. Cal. 1995); *Religious Technology Center v. Lerma*, 908 F. Supp. 1362, 1368 (E.D. Va. 1995) (“*Lerma II*”) (“Once a trade secret is posted on the Internet, it is effectively part of the public domain, impossible to retrieve.”); *Religious Technology Center v. F.A.C.T.NET, Inc.*, 901 F. Supp. 1519, 1527 (D. Colo. 1995); see also *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 484 (1974) (documents in public domain for an extensive period of time cannot be deemed trade secrets).

In sum, regardless of whether the sort of circumstantial evidence and supposition upon which the trial court relied could justify the issuance of a preliminary injunction under California's Trade Secret Act, it is insufficient under the First Amendment. Even were this Court to assume that Andrew Bunner knew or should have known of the allegedly dubious origin of DeCSS, his posting of lawfully acquired information that had already been disseminated on an international scale is protected by the First Amendment.

## **ARGUMENT**

### **I.**

#### **BECAUSE THE PRELIMINARY INJUNCTION IS A PRIOR RESTRAINT ON PURE SPEECH, AT A MINIMUM, STRICT SCRUTINY APPLIES**

The preliminary injunction before this Court must be subjected to the most rigorous level of First Amendment review for two independent reasons. First, it is a restriction on pure speech, not a regulation of expressive conduct. Second, because it is directed at speech, not at conduct, and because it enjoins speech rather than imposing an after-the-fact award of damages, it is a prior restraint.

A. A Prohibition On The Disclosure Of Information Is A Restriction On Pure Speech That Is Subject To Strict Scrutiny.

The application of a statute to prohibit the publication of lawfully obtained information is subject to strict scrutiny. *Florida Star v. B.J.F.*, 491 U.S. 524, 541 (1989); *Smith v. Daily Mail Publishing Co.*, 443 U.S. 97, 103 (1979); *see also Landmark Communications, Inc. v. Virginia*, 435 U.S. 829, 845 (1978) (applying clear and present danger standard). “[S]tate action to punish the publication of truthful information seldom can satisfy constitutional standards.” *Smith v. Daily Mail Publishing Co.*, 443 U.S. at 102; *accord Bartnicki v. Vopper*, 532 U.S. 514, 527 (2001). Even where the information was obtained by wrongful conduct on the part of someone else, the First Amendment protects against either punishment or an injunction where the one seeking to publish the information was not complicit in the wrong-doing. *Bartnicki*, 532 U.S. 514; *New York Times Co. v. United States*, 403 U.S. 713 (1971) (Pentagon Papers case).

The injunction prohibiting the disclosure at issue in this case, like the prohibitions on disclosure in the cases discussed above, are restrictions on pure speech. *See Bartnicki*, 532 U.S. at 526 (wiretap statute’s prohibition on disclosure of illegally intercepted conversation is a regulation of pure speech); *Cox Broadcasting Corp. v. Cohn*, 420 U.S. 469, 495 (1975) (Ga. cause of action for invasion of privacy based on disclosure of name of rape victim “imposes sanctions on pure expression—the content

of a publication”); *Procter & Gamble Co. v. Bankers Trust Co.*, 78 F.3d 219, 226-27 (6<sup>th</sup> Cir. 1996). As the Supreme Court explained in *Bartnicki*, “the naked prohibition against disclosures is fairly characterized as a regulation of pure speech. Unlike the prohibition against ‘use’ of the contents of an illegal interception [found in a different part of the statute], subsection (c) is not a regulation of conduct.” 532 U.S. at 526-27.

Relying on the Second Circuit’s decision in *Universal City Studios, Inc. v. Corley*, 273 F.3d 429 (2d Cir. 2001), DVD CCA nevertheless argues that the publication of DeCSS has both expressive and functional elements and is therefore subject only to intermediate scrutiny. *Corley*, however, was a case brought under the provisions of the federal Digital Millennium Copyright Act, 17 U.S.C. § 1201 *et seq.* That Act prohibits the trafficking in devices designed to circumvent technological copy protection mechanisms. In *Corley*, DeCSS was alleged to be such a device. Thus, for purposes of the DMCA, the *Corley* court concluded that the computer program was both speech and a functional device.

This case, however, was not brought under the DMCA. It is a trade secret case and the theory of the case is that defendants disclosed trade secret information. *Bartnicki* makes clear that disclosure of information is not the same as putting the information to use. *Bartnicki*, 532 U.S. at 526. Indeed, some may wish to access Bunner’s site without having any intention of using DeCSS to decrypt a DVD. For example, one could

access the site in order to study the program, *see, e.g.*, Wagner Dec., AA 257-266, or to obtain information about the controversy generated by the creation of DeCSS, including having access to the program itself. *See, e.g.*, Jane C. Ginsburg, *Copyright Use and Excuse on the Internet*, 24 Colum-VLA J.L. & Arts 1, \*13 (2000). Newspapers, magazines, or online publications may wish to provide access to DeCSS as part of the ongoing debate. *See* Shapiro Reply Dec. ¶¶ 18-47, 49-96, AA 348-65 (including examples of discussion of the controversy on the Slashdot website and on the websites of online publications); *cf. Lerma II*, 908 F. Supp. at 1365 (noting that, in copyright context, Washington Post’s downloading of documents that were also alleged to be trade secrets was legitimate fair use because of their newsworthiness). Thus for the purpose of analyzing an injunction in a trade secrets case, a prohibition on disclosure is not the same as a prohibition on use, and must be treated as a restriction of pure speech.

Nor can the posting of the program be considered “expressive conduct” subject to intermediate scrutiny under *United States v. O’Brien*, 391 U.S. 367 (1968). First, unlike the statute at issue in *O’Brien*, the Uniform Trade Secrets Act, like the statute in *Bartnicki*, contains two separate prohibitions: disclosure (speech) and use (conduct). The statute in *O’Brien*, on its face, applied only to conduct: the destruction or mutilation of a draft card. *O’Brien*, 391 U.S. at 375. It was not possible to separate the conduct prohibited by the statute (draft card burning regardless of its

motivation) from its expressive component (public burning of a draft card to express opposition to the war in Vietnam). *Id.* at 376. The same is hardly true here. The unlawful use of DeCSS can easily be enjoined without requiring that the disclosure of DeCSS be prohibited. *See Bartnicki*, 532 U.S. at 527 (rejecting argument that delivery of taped conversation was expressive conduct: “If the acts of ‘disclosing’ and ‘publishing’ information do not constitute speech, it is hard to imagine what does fall within that category, as distinct from the category of expressive conduct.” (quoting circuit court’s decision in *Bartnicki v. Vopper*, 200 F. 3d 109, 120 (3d Cir. 1999))); *accord Wilson v. Superior Ct.*, 13 Cal. 652, 660 (1975) (“It would be anomalous if the mere fact of publication and distribution were somehow deemed to constitute ‘conduct’ which in turn destroyed the right to freely publish.”).

DVD CCA nevertheless argues that Bunner’s purpose in posting DeCSS was to enable others to “illegally” decrypt DVDs so that they could play them on the Linux platform and that, accordingly, his disclosure of DeCSS is not pure speech. Reply Brief at 5, 11. One’s purpose in disclosing information (i.e., in speaking) does not transmute speech into expressive conduct.

Moreover, to the extent that a statute is applied to outlaw pure speech in order to prevent unlawful conduct, that speech must rise to the level of incitement before it can be prohibited. *Ashcroft v. Free Speech*

*Coalition*, \_\_\_ U.S. \_\_\_, 122 S. Ct. 1389, 1403 (2002). “The prospect of crime, . . . by itself does not justify laws suppressing protected speech.” *Id.* at 1399. Where speech simply has the arguable effect of encouraging unlawful conduct, the remedy is to punish the conduct, not the speech. As the Supreme Court noted in *Bartnicki*, “it would be quite remarkable to hold that speech by a law-abiding possessor of information can be suppressed in order to deter conduct by a non-law-abiding third party.” 532 U.S. at 529-30; *see also id.* at 529.

This is not new law. As the Supreme Court reiterated more than 40 years ago, “[a]mong free men, the deterrents ordinarily to be applied to prevent crime are education and punishment for violations of the law, not abridgment of the rights of free speech.” *Kingsley International Pictures Corp. v. Regents of the University of the State of New York*, 360 U.S. 684, 689 (1959) (quoting *Whitney v. California*, 274 U.S. 357, 378 (1927)).

In sum, the trial court’s order prohibits pure speech. It must therefore serve an interest of the highest order and be narrowly tailored to further that interest in order to pass constitutional muster. Prohibiting the dissemination of information that is already widely available does not pass that test. Moreover, as discussed below, because the court’s order is in the form of an injunction forbidding speech, rather than an after-the-fact award of damages, it is a presumptively invalid prior restraint.



B. An Injunction Prohibiting the Disclosure of Lawfully Obtained Information Is A Presumptively Invalid Prior Restraint.

The court order under review here is a preliminary injunction prohibiting pure speech. “Temporary restraining orders and permanent injunctions—*i.e.*, court orders that actually forbid speech activities—are classic examples of prior restraints.” *Alexander v. United States*, 509 U.S. 544, 550 (1993). Such “prior restraints on speech and publication are the most serious and the least tolerable infringement on First Amendment rights.” *Nebraska Press Ass’n v. Stuart*, 427 U.S. 539, 559 (1976). They come to a court bearing a heavy presumption against their validity. *New York Times Co. v. United States*, 403 U.S. at 714 (1971); *accord Wilson*, 13 Cal. 3d at 657; *CBS Inc. v. Davis*, 510 U.S. 1315, 1317 (Blackmun, Circuit Justice 1994) (trade secret case); *Religious Technology Center v. Lerma*, 897 F Supp. 260, 262-63 (E.D. Va. 1995) (“*Lerma I*”) (trade secret case).

Preliminary injunctions prohibiting speech are particularly problematic. In the preliminary injunction context, a determination to suppress speech is made based only on a prediction that the restraint will prove justified. As demonstrated by the record in this case, this is a “special vice” of a prior restraint. *Pittsburgh Press Co. v. Pittsburgh Comm’n on Human Relations*, 413 U.S. 376, 390 (1973); *Vance v. Universal Amusement Co.*, 445 U.S. 308, 316-17 (1980). If the court errs

in granting the preliminary injunction, constitutionally protected expression is silenced.

Because the preliminary injunction issued by the trial court in this case enjoins pure speech, it is subject to the most exacting scrutiny. *Daily Mail*, 443 U.S. at 102 (1979); *Organization for a Better Austin v. Keefe*, 402 U.S. 415, 419 (1971). Trade secret cases are not exempt from this rigorous analysis. *See, e.g., CBS, Inc. v. Davis*, 510 U.S. 1315 (1994); *Ford Motor Co. v. Lane*, 67 F. Supp. 2d 745, 751 (E.D. Mich. 1999); *Lerma I*, 897 F. Supp. at 263; see also *Oregon ex rel. Sports Management News v. Nachtigal*, 324 Or. 80, 921 P. 2d 1304 (1996) (decided under Oregon Const.); *Garth v. Staktek Corp.*, 876 S.W. 2d 545, 549 (Tex. App. 1994) (decided under Texas Const.); see generally David Greene, *Trade Secrets, the First Amendment and the Challenges of the Internet Age*, 23 *Hastings Comm. & Ent. L.J.* 537 (2001). It is worth remembering that “[e]ven where questions of allegedly urgent national security or competing constitutional interests are concerned, [courts] have imposed this ‘most extraordinary remed[y]’ only where the evil that would result from the reportage is both great and certain and cannot be militated by less intrusive measures.” *CBS, Inc. v. Davis*, 510 U.S. at 1317 (internal citations omitted). In other words, before speech may be enjoined, “[p]ublication must threaten an interest more fundamental than the First Amendment itself.” *Procter & Gamble Co. v. Bankers Trust Co.* 78 F. 3d 219, 227 (6<sup>th</sup> Cir. 1996).

Relying once again on *Corley*, DVD CCA argues that the injunction here is “content neutral” and that, accordingly, a lesser standard of scrutiny should apply. If DVD CCA were correct, the standard to be applied would be that articulated by the Supreme Court in *Madsen v. Women’s Health Center, Inc.*, 512 U.S. 753 (1994). *Madsen* holds that a content neutral injunction is permissible only if it is necessary to further a significant state interest and only if it restrains no more speech than necessary. *Id.* at 756; accord *Planned Parenthood Shasta-Diablo, Inc. v. Williams*, 10 Cal. 4<sup>th</sup> 1009 (1995). An injunction that prohibits speech to preserve the secrecy of information that has plainly ceased to be secret can hardly be said to further the state’s articulated interest. Nor can it be said to “prohibit no more speech than necessary” to achieve the government’s interest.

But the injunction here is not a content neutral injunction similar to the injunction in *Madsen*. The *Madsen* Court held that the injunction in that case was content-neutral because it was aimed at defendants’ conduct: impeding access to an abortion clinic. The Court upheld an injunction that included both speech and conduct because defendants had repeatedly violated the trial court’s initial injunction that had been limited to conduct only. See *Madsen*, 512 U.S. at 758, 763 & n.2. Moreover, the Court noted that its traditional prior restraint analysis was not necessary because the injunction did not place a total ban on defendants’ expressive activities. It

merely moved them across the street. *Id.* at 763 n.2, 768-69. The injunction here is an absolute bar to the further disclosure of DeCSS.

Similarly, the injunction imposed in *Corley* is not comparable to the injunction here. This is a trade secret case, not a case brought under the DMCA. Yet the DMCA's anti-trafficking provisions were crucial to the *Corley* court's conclusion that its injunction primarily addressed conduct, rather than speech: "The DMCA and the posting prohibition are applied to DeCSS solely because of its capacity to instruct a computer to decrypt CSS. That functional capability is not speech within the meaning of the First Amendment." 273 F.3d at 454. *Corley's* rationale has no application here.<sup>9</sup> This case is governed by traditional prior restraint doctrine.

Amici do not question the important interests served by California's adoption of the Uniform Trade Secrets Act. *See Kewanee Oil Co. v. Bicron*

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<sup>9</sup> DVD CCA also argues that the injunction is aimed at preventing "theft" rather than speech. Reply Brief at 3. The brief does not indicate, however, whether it is the "theft" of its trade secret by Jon Johansen or the "theft" caused by the decryption of DVDs that the injunction is intended to prevent. In neither case, however, does this alleged "theft" justify a prior restraint of speech. Bunner played no role in either the creation or the original disclosure of DeCSS. DVD CCA concedes that the only basis for imposing liability is that he allegedly knew or should have known that the creation of DeCSS was improper. Bunner is no thief. To the extent that the injunction is aimed at stopping the use of DeCSS, as discussed above, the appropriate response must be to punish or enjoin the allegedly unlawful use, not silence protected speech by prohibiting disclosure of information that has already been made public. *Bartnicki*, 532 U.S. at 529-30; *see also id.* at 530 n.13 (prohibition on receipt of stolen property, unlike a prohibition on disclosure, is not a prohibition on speech).

*Corp.*, 416 U.S. 470, 481-82, 493 (1974) (discussing the broad policies supporting trade secret law); *Ford Motor Co. v. Lane*, 67 F. Supp. 2d at 749. Where a preliminary injunction prohibiting disclosure is targeted at a third party republisher who lawfully obtained the information, those interests are not served. *See* Bunner’s Answer Brief at 27-31. Moreover, where a preliminary injunction against a third party republisher is unlikely to further those interests because the alleged trade secret has already been widely disclosed, the issuance of such an injunction is not only improper as a matter of trade secret law; its issuance is prohibited by the First Amendment.

## II.

### **THE INJUNCTION BEFORE THIS COURT IS NOT NARROWLY TAILORED TO FURTHER A STATE INTEREST OF THE HIGHEST ORDER**

A. The Injunction In This Case Cannot Be Squared With The Supreme Court’s Decision In *Bartnicki v. Vopper*.

The case before this Court is not a typical trade secret case. First, whatever merit there may be to DVD CCA’s claim that DeCSS is the product of a violation of trade secret law, Andrew Bunner did not participate in its creation nor could he in any way be considered to be in privity with its creator. He simply obtained the program from a publicly available source.

Moreover, Bunner had neither a contractual nor a fiduciary relationship with DVD CCA that could be said to impose a duty on him to maintain the confidentiality of CSS. Thus his republication of the program does not implicate one of the fundamental concerns of trade secret law, “[t]he maintenance of standards of commercial ethics.” *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. at 481-82.<sup>10</sup>

Rather than being a typical trade secret case, the issues presented here bear a striking resemblance to those before the Supreme Court in *Bartnicki v. Vopper*, 532 U.S. 514. In *Bartnicki*, the Supreme Court was asked to decide whether the federal wiretap statute, 18 U.S.C. § 2511(1)(c), which prohibits the disclosure of an illegally intercepted communication, could be enforced in an action for damages against an individual and two radio stations who lawfully obtained, and subsequently disclosed the contents of, a tape of an illegally intercepted cell phone conversation. Like

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<sup>10</sup> Although trade secret law furthers the additional interest of protecting creative endeavors, *see id.*, this interest cuts two ways. On the one hand, there is an interest in protecting the creative endeavors of those who create a new product. On the other hand, there is an interest in encouraging the expansion of knowledge that results by permitting others to build on work that has gone before. As discussed in the amicus brief submitted by the Intellectual Property Law Professors and the Computer & Communications Industry Ass’n, trade secret law strikes a balance by allowing trade secret information to be acquired through reverse engineering. *See Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. at 476; *Chicago Lock Co. v. Fanberg*, 676 F.2d 400 (9<sup>th</sup> Cir. 1982); Cal. Civ. Code §3426.1(a) (excluding reverse engineering as an “improper means” of acquiring trade secret information).

the Uniform Trade Secrets Act, the wiretap statute prohibits disclosure of an illegally intercepted conversation by a person who “knows[s] or ha[s] reason to know that the information was obtained” through an illegal interception.

The *Bartnicki* Court recognized that it was faced with “a conflict between interests of the highest order—on the one hand, the interest in the full and free dissemination of information concerning public issues and, on the other hand, the interest in individual privacy and, more specifically, in fostering private speech.” *Bartnicki*, 532 U.S. at 518. It stated the issue thus:

“Where the . . . publisher of information obtained the information in question in a manner lawful in itself but from a source who has obtained it unlawfully, may the government punish the ensuing publication of that information based on the defect in a chain?”

*Id.* at 528 (quoting *Boehner v. McDermott*, 191 F. 3d 463, 484-85 (D.C. Cir. 1999) (Sentelle, J., dissenting)). The Court answered the question in the negative. Relying on a long line of cases holding that the state may not prohibit the disclosure of lawfully obtained information, the Court held that the statute could not be applied under the circumstances of that case.

*Bartnicki*, 532 U.S. at 527-35.

Three factors were important to the Court’s decision. First, while it assumed for purposes of analysis that the defendants knew or should have known that the tape was the product of an illegal interception, the Court

noted that the defendants played no role in the illegal interception. *Id.* at 525. Second, defendants obtained the tape lawfully. *Id.* An unknown person put the tape in one defendant's mailbox. He in turn gave it to a radio commentator who played it on his public affairs talk show. *Id.* at 519.<sup>11</sup> Finally, the subject matter of the tape, a conversation between two teachers' union officials who, at the time of the conversation, were engaged in heated negotiations with a local high school, was a matter of public concern.

The parallels between *Bartnicki* and this case, while not perfect, are nevertheless conspicuous. First, the two statutes are strikingly similar. Both prohibit disclosure of illegally obtained information by one who knows or should have known that the information was unlawfully acquired. Second, as discussed above, both involve a regulation of pure speech.

Third, like the defendants in *Bartnicki*, Bunner participated in neither the creation nor the original publication of DeCSS. He lawfully acquired DeCSS from the Internet after it was posted by others. But, as in *Bartnicki*, the court of appeal assumed that he knew or should have known that DeCSS was created in violation of the Uniform Trade Secrets Act. *See Bunner*, 113 Cal. Rptr. 2d at 346-47.

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<sup>11</sup> Significantly, the Court did not distinguish between the media and non-media defendants in its analysis. *See Bartnicki* at 525 n.8.



Significantly, however, as the Court makes clear in *Bartnicki*, such presumed knowledge does not render Bunner’s acquisition of DeCSS unlawful. *See Bartnicki*, 532 U.S. 528 (characterizing defendants’ acquisition of the tape as lawful, despite their knowledge of its questionable origins); *id.* at 535 (Breyer, J., concurring) (“the radio broadcasters acted lawfully (up to the time of final public disclosure [in violation of statute in question])); *see also Florida Star*, 491 U.S. at 546 (White, J., dissenting) (reporter obtained rape victim’s name inadvertently included in publicly posted police report, knowing that names of rape victims were not meant to be disclosed); *New York Times Co. v. United States*, 403 U.S. 713 (New York Times could not be enjoined from publishing Pentagon Papers although they had been stolen by a third party); *Lerma II*, 908 F. Supp. at 1369 (“Although The Post was on notice that the RTC made certain proprietary claims about these documents, there was nothing illegal or unethical about The Post going to the Clerk’s office for a copy of the documents or downloading them from the Internet.”); *cf. Religious Technology Center v. Netcom On-Line Communication Services, Inc.*, 923 F. Supp. 1231, 1256 (N.D. Cal. 1995) (“Because there is no evidence that Erlich is a privy of any of the alleged original misappropriators, he is not equitably estopped from raising their previous public disclosures [on the Internet] as a defense to his disclosure”).

Finally, Bunner's disclosure of DeCSS was in the context of a public debate over the creation, disclosure and potential uses of DeCSS. DVD CCA's own submissions show that DeCSS was the subject of vigorous debate and discussion on the Internet. *See e.g.*, Shapiro Reply Dec., ¶¶ 18-47, 49-96, AA 348-65 (including examples of discussion of the controversy on the Slashdot website and in Internet publications such as *Wired News*, *eMedia*, and *Computerworld*). Whether the context of this debate can best be characterized as debate over a political, social, or an economic issue is of little moment. Indeed, in *Bartnicki* the debate was about an economic issue: teachers' pay. "That debate may be more mundane than the Communist rhetoric that inspired Justice Brandeis' classic opinion in *Whitney v. California*, 274 U.S., at 372, but it is no less worthy of constitutional protection." *Bartnicki*, 532 U.S. at 535.<sup>12</sup>

Moreover, if Bunner's disclosure could be enjoined, the disclosures of others like him, who also lawfully obtained access to DeCSS, might also be enjoined on the same theory. A law professor might hesitate to republish DeCSS as part of her class syllabus discussing the ramifications of the DMCA. *See, e.g.*, Jane C. Ginsburg, *Copyright Use and Excuse on*

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<sup>12</sup> The *Bartnicki* Court specifically declined to decide whether the interest in protecting trade secrets is strong enough to allow an action for damages based on disclosure. 532 U.S. at 533. The issue was not before it and the case certainly cannot be read as a blanket statement that the disclosure of trade secret information can never touch on matters of public concern.

*the Internet*, 24 Colum-VLA J.L. & Arts 1, \*13 (2000) (discussing ramifications of her providing links to DeCSS). A scientist might fear to disclose DeCSS for purposes of cryptography research into encryption technology. See Wagner Dec., AA 257-266; see also Gilmore Dec., AA 274-285. Newspapers might be reluctant to republish DeCSS as part of a newspaper story about the controversy engendered by this case and *Corley*. See *Lerma I*, 897 F. Supp. at 262 (Washington Post published article regarding the *Lerma* litigation, including quotations from the allegedly copyrighted or trade secret documents); cf. *Lerma II*, 908 F. Supp. at 1365 (noting that, in copyright context, Washington Post's downloading of documents that were also alleged to be trade secrets was legitimate fair use because of their newsworthiness). The threat of litigation could, indeed, chill much protected speech of public concern.

While the parallels are strong, this case differs from *Bartnicki* in two important respects, however. Both differences further compel the conclusion that the preliminary injunction here is unconstitutional. First, unlike *Bartnicki*, this is not an action for damages. Here DVD CCA seeks to justify the imposition of a prior restraint, “the most serious and the least tolerable [kind of] infringement on First Amendment rights.” *Nebraska Press Ass’n v. Stuart*, 427 U.S. 539, 559 (1976).<sup>13</sup>

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<sup>13</sup> Thus regardless of whether the Supreme Court employed strict or intermediate scrutiny in *Bartnicki*, see, e.g., 532 U.S. at 531-32 (reference

Second, by no stretch of the imagination does this case, as compared with *Bartnicki*, involve a conflict between interests that both are of constitutional stature. To the contrary, not only is the state interest in protecting trade secret information not of constitutional magnitude, the injunction at issue here cannot be said to further the state's interest in any meaningful way. The prohibition on disclosure is being applied to information that, by DVD CCA's own account, has been disseminated around the world. It is no longer secret.

B. An Injunction Prohibiting the Publication of Information That Has Already Been Made Publicly Available Violates the First Amendment.

There is no dispute that by the time DVD CCA brought this lawsuit, DeCSS had been published on over 75 websites in at least 11 states and 11 different countries. Complaint, ¶¶ 1, 5-25, 27-29, 48, AA 2-8, 14; Hoy Dec. ¶ 30, RA 10. Nevertheless, the trial court was unwilling to hold that this widespread posting on the Internet had destroyed the status of CSS as a trade secret under the Uniform Trade Secrets Act. Order Granting Prelim. Injunc., AA 715. Whether the court's entry of a preliminary injunction on this record is permissible as a matter of trade secret law seems highly

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to requirement of a "need of the highest order" to justify restriction); *id.* at 544 (Rehnquist, J. dissenting) (noting that Court employed strict scrutiny); *but see id.* at 536 (Breyer & O'Connor, concurring) (appearing to engage in balancing of interests), strict scrutiny applies here.

questionable.<sup>14</sup> But regardless of whether the Uniform Trade Secrets Act permits an injunction in these circumstances, the First Amendment does not. Where information has already been disclosed to the world at large, the state's interest in protecting trade secrets is not legitimately furthered by enjoining publication by a third party who has lawfully acquired that information.

Even where information has not been previously disclosed to the public, the Supreme Court has held that statutes and court orders prohibiting the disclosure of lawfully obtained information violate the First Amendment. *See Daily Mail*, 443 U.S. at 104; *Landmark Communications*, 435 U.S. 829. Once information has already been made public, the Supreme Court has been clear that the state's interest in maintaining confidentiality is not furthered by punishing further publication by those who have lawfully obtained the information. And it most certainly may not be enjoined.

In *Florida Star v. B.J.F.*, 491 U.S. 524, for example, a rape victim sued the *Florida Star* after it published her name in violation of state law. The newspaper had obtained the information from a publicly released police report that inadvertently included the victim's name. While recognizing the legitimate interests in privacy served by the statute, the

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<sup>14</sup> See cases cited *supra*, note 8.

Court noted that “punishing the press for its dissemination of information which is already publicly available is relatively unlikely to advance the interests in the service of which the State seeks to act.” *Id.* at 535; *see also id.* at 539 (noting the statute’s lack of narrow tailoring because it prohibited publication “regardless of whether the identity of the victim is already known throughout the community”); *accord Cox Broadcasting Corp. v. Cohn*, 420 U.S. at 496 (“Once true information is disclosed in public court documents open to public inspection, the press cannot be sanctioned for publishing it.”); *see also Bartnicki*, 532 U.S. at 546 (Rehnquist, J., dissenting) (distinguishing cases such as *Florida Star* from facts in *Bartnicki* on ground that punishing disclosure of publicly available information would not advance government’s interest in confidentiality: “one cannot ‘disclose’ what is already in the public domain”).

Similarly, in *Oklahoma Publishing Co. v. District Court*, 430 U.S. 308 (1977), the Supreme Court invalidated an injunction prohibiting the publication of the name and photograph of a juvenile after the press had been permitted to attend a preliminary hearing in the case. The Court held that the First Amendment “will not permit a state court to prohibit the publication of widely disseminated information obtained at court proceedings which were in fact open to the public.” 430 U.S. at 310; *see also Nebraska Press Ass’n v. Stuart*, 427 U.S. at 571 (Powell, J. concurring) (even where there is adequate showing that would otherwise

justify prior restraint to protect defendant's Sixth Amendment right to fair trial, no restraint may issue absent showing that "previous publicity or publicity from unrestrained sources will not render the restraint ineffectual.").

In sum, by the time the trial court issued its preliminary injunction, DVD CCA's trade secret had long since escaped into the world at large. By holding that the trial court erred in issuing a preliminary injunction in this case, the Court will be issuing a ruling that is consistent with the interests advanced by trade secret law, not contrary to them. Upholding the validity of the injunction, on the other hand, would not only fail to further any legitimate state interest, it would do violence to well-settled First Amendment principles.

**CONCLUSION**

For the foregoing reasons, the preliminary injunction issued by the trial court may not stand.

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Respectfully submitted,

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