

New DMCA Agent Registration Rules Essential to Section 512 Immunity

Recent copyright office rule changes could terminate an unsuspecting OSP's eligibility for the DMCA's safe harbor provisions.

The Digital Millennium Copyright Act (DMCA) creates an important safe harbor from copyright infringement liability for certain websites and other online service providers (OSPs), so long as they follow a set of rules prescribed by statute and regulation. One such requirement, which applies to an OSP that stores user-generated content on its system or network, is that the OSP must register and designate an agent with the US Copyright Office to receive “takedown notices” (short communications from copyright holders claiming that content on the site infringes their rights). Failing to maintain a registered agent with the Copyright Office jeopardizes this critical DMCA immunity.

The Copyright Office recently announced significant changes to the registration process, including — for the first time — a requirement that past registrations be *renewed* in order to remain effective. This article explains the new rule changes.

The DMCA's Safe Harbors

Congress enacted the DMCA in 1998 to address and facilitate the development of the expanding online world.¹ Complex questions of copyright liability born out of online commerce and communications had begun to percolate through the federal courts. In response, Congress enacted Title II of the DMCA — the Online Copyright Infringement Liability Limitation Act² — more commonly known as the DMCA's safe harbor provisions. Codified in 17 U.S.C. section 512, the safe harbors broadly insulate a qualifying OSP from liability for both direct and indirect copyright infringement claims. Four categories of online activity by service providers potentially merit the statute's protections (if the OSP satisfies a range of specific requirements): (1) acting as a conduit carrying the digital communications of others (§ 512(a)); (2) creating cached copies of websites (§ 512(b)); (3) storing information at the direction of users (§ 512(c)); and (4) creating directories or other means of locating information on the Internet (§ 512(d)).

The Copyright Office's New § 512(c) Agent Registration Procedures

The Copyright Office's new rule change primarily applies to § 512(c), which protects service providers that store material on their system or network at the direction of their users (*e.g.*, websites that host user-generated content).³ Among other eligibility requirements, a service provider that wishes to avail itself of this safe harbor must designate an agent with the Copyright Office to receive notifications of claimed infringement, and must provide the agent's contact information on the OSP's website in a location accessible to the public.⁴

On November 1, 2016, the Copyright Office announced upcoming technological updates to its DMCA agent registration procedures along with a number of associated rule changes. OSPs must be aware of and comply with the rule change to successfully maintain ongoing agent designation, and therefore benefit from safe harbor protection under § 512(c).⁵

Notably, the rule change eliminates the “set it and forget it” nature of the previous regime. In the past, an OSP could register an agent with the Copyright Office only once and ensure the OSP’s compliance with § 512(c)’s designated agent requirement ad infinitum. Now, an OSP is required to continually renew and maintain its take-down agent designation to remain in compliance.⁶

The principal rule changes (effective December 1, 2016) are as follows:

- **Electronic agent registration requirement:** OSPs must register a DMCA agent through an electronic filing with the Copyright Office.⁷
- **Initial re-registration requirement:** All OSPs with a DMCA agent currently registered with the Copyright Office under the old rules *must* electronically *re-register* that agent with the Office by no later than December 31, 2017.⁸ This means that an OSP’s current paper-registered agent *will continue to satisfy* the DMCA *until*: (1) the OSP re-registers the agent electronically, or (2) through December 31, 2017.⁹
- **Renewal requirement:** Once an OSP electronically registers or re-registers its designated agent with the Copyright Office, the OSP *must* renew its registration *every three years* (the renewal period).¹⁰ The renewal period will reset on two occasions, when: (1) the OSP renews its designation through the electronic system, or (2) the OSP amends its designation through the electronic system.¹¹ An OSP’s failure to renew or amend its agent designation within the renewal period will result in the expiration of the OSP’s designated agent registration and the loss of its § 512(c) safe harbor protection until renewal or amendment occurs. To help avoid the inadvertent expiration of an unwary OSP’s designated agent, the Copyright Office’s system will “automatically generate a series of reminder emails well in advance of the renewal deadline [sent] to every email address associated with the [OSP].”¹²

The Copyright Office will allow an OSP currently operating under the old regime to continue to do so until December 31, 2017.¹³ At that time, an OSP that is not in compliance with the new rule will no longer satisfy the designated agent requirement and will lose its § 512(c) safe harbor status.

Conclusion

While initial compliance with these rule changes may not seem demanding, vigilant maintenance (and renewal) of an OSP’s DMCA agent registration status and accuracy is critical, with dire consequences if an OSP fails to do so. For example, numerous courts have found a service provider’s invocation of the safe harbor unavailing in light of the provider’s failure to satisfy § 512(c).¹⁴ Some courts have held that agent registration is a predicate to safe harbor protection — even an OSP that successfully receives and processes take-down notices despite the absence of a designated agent could be denied safe harbor protection.¹⁵

Given these rule changes, and the overall complexity of the DMCA safe harbor regime, this is an opportune time for OSPs to evaluate their eligibility and ongoing compliance requirements, to maintain complete DMCA safe harbor protection.

If you have questions about this *Client Alert*, please contact one of the authors listed below or the Latham lawyer with whom you normally consult:

Perry J. Viscounty

perry.viscounty@lw.com
+1.415.395.8126
San Francisco

Andrew Gass

andrew.gass@lw.com
+1.415.395.8806
San Francisco

Allison Blanco

allison.blanco@lw.com
+1.714.755.8293
Orange County/Los Angeles

Max Mazzelli

max.mazzelli@lw.com
+1.415.395.8040
San Francisco

You Might Also Be Interested In

[Ninth Circuit Applies Octane Fitness' Loosened Fee-Shifting Standard to Trademark Cases](#)

[New Game Plan: Federal Circuit Decision May Revive "Redskins" Trademarks](#)

[Combating Online Anonymous Defamation](#)

[Viacom v. YouTube: Safe Harbor Protection Upheld for Online Service Provider](#)

Client Alert is published by Latham & Watkins as a news reporting service to clients and other friends. The information contained in this publication should not be construed as legal advice. Should further analysis or explanation of the subject matter be required, please contact the lawyer with whom you normally consult. The invitation to contact is not a solicitation for legal work under the laws of any jurisdiction in which Latham lawyers are not authorized to practice. A complete list of Latham's *Client Alerts* can be found at www.lw.com. If you wish to update your contact details or customize the information you receive from Latham & Watkins, visit <http://events.lw.com/reaction/subscriptionpage.html> to subscribe to the firm's global client mailings program.

Endnotes

¹ S. Rep. No. 105-190, at 1-2 (1998).

² Online Copyright Infringement Liability Limitation Act, 17 U.S.C. § 512 (2016).

³ It is an open question whether other DMCA safe harbor provisions that contemplate notification of claimed infringement (e.g., § 512(b)(2)(E) and § 512(d)(3)) may effectively require a registered agent.

⁴ *Id.* § 512(c)(2).

⁵ 37 C.F.R. 201.38 (2016). The full text and Copyright Office summary of the rule change is available here: <https://www.federalregister.gov/documents/2016/11/01/2016-26257/designation-of-agent-to-receive-notification-of-claimed-infringement#h-16>.

⁶ While not a change that directly affects an OSP's safe harbor eligibility, the new rules require an OSP not only to register its legal name with the Copyright Office, but also to include "all alternate names that the public would be likely to use to search for the [OSP's] designated agent in the directory." For example, an OSP must include all names under which the OSP is doing business, website names, URLs, software application names and other names attributable to the OSP. *Id.* § 201.38(b)(2). Finally, an OSP must provide its physical address to the Copyright Office; a post office box is prohibited unless the OSP serves a written request to the Copyright Office indicating exceptional circumstances in the form of individual danger caused by posting the OSP's street address. *Id.* § 201.38(b)(1)(ii). The physical address requirement, however, does not apply to the designated agent himself/herself — a post office box is sufficient. *Id.* § 201.38(b)(4).

⁷ See *id.* § 201.38(e)(1).

⁸ *Id.* § 201.38(e)(2).

⁹ Designating an agent with the Copyright Office will now cost less. Registration (and amendment) fees under the new regime will be a flat US\$6 per designation (or amendment) down from the previous fee of US\$105.

¹⁰ *Id.* § 201.38(c)(4).

¹¹ *Id.*

¹² 81 FR 75695, 75704 (2016).

¹³ *Id.* § 201.38(e)(2).

¹⁴ See, e.g., *Perfect 10, Inc. v. Yandex N.V.*, No. C 12-1521 WHA, 2013 U.S. Dist. LEXIS 65802, at *19-22 (N.D. Cal. May 7, 2013) (finding no safe harbor protection in the absence of a designated agent since "[§ 512(c)] plainly specifies that a registered agent is a predicate, express condition — the safe harbor will apply 'only if' such agent has been designated and identified to the Copyright Office for inclusion in the directory of agents."); *Oppenheimer v. Allvoices, Inc.*, No. C 14-499 LB, 2014 U.S. Dist. LEXIS 80320, at *13-18 (N.D. Cal. June 10, 2014) (rejecting defendant's argument that its post-infringement designated agent registration retroactively applied § 512(c)'s safe harbor protection to its pre-registration infringing activity); *Disney Enters. v. Hotfile Corp.*, No. 11-20427-CIV-WILLIAMS, 2013 U.S. Dist. LEXIS 172339, at *81-84 (S.D. Fla. Aug. 28, 2013) (holding that even if the defendant would otherwise be able "to avail itself of the DMCA safe harbor, the Court concludes that it would be ineligible under Section 512(c)(2) at least through May 2010, the date on which it published its agent's contact information."); *BWP Media USA Inc. v. Hollywood Fan Sites LLC*, 115 F. Supp. 3d 397, 403 (S.D.N.Y. 2015) (same).

¹⁵ *Yandex N.V.*, 2013 U.S. Dist. LEXIS 65802, at *21-22.