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**Decision**

**Copyright Law**

***“Internet Hosting Provider Liability for Copyright Infringement – RTI v. Yahoo Italia”  
Decision of the Supreme Court (I Civil Division) 19 March 2019 – Case No. 9133/2015***

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Intellectual Property and Competition Law

***RTI v. Yahoo Italia***

**Directive 2000/31/EC, Arts. 14–15; Legislative Decree No. 70 of 2003, Arts. 16–17**

**1. The active hosting provider is the information society service provider which carries out an activity different from an exclusively technical, automatic and passive service. Instead it puts in place an active conduct, jointly concurring to the third-party's unlawful act, therefore being outside the general liability safe harbour regime of Art. 16 Legislative Decree No. 70 of 2003. Its tort liability follows the generally applicable rules.**

2. In the context of information society services, the liability of the hosting provider foreseen by Art. 16 Legislative Decree No. 70 of 9 April 2003, exists for the service provider which has not initiated the immediate removal of the illegal contents, as well as if it has continued to publish them, when the following conditions jointly occur:

- a. it has legal knowledge of the offence/tort committed by the service recipient, having received notice by the injured rightholder; or [having such knowledge] otherwise
- b. the unlawfulness of the third-party's conduct is reasonably ascertainable, so that it (the provider) is in gross negligence for not having positively ascertained, according to the degree of diligence reasonably due by a professional internet operator at a given time in the past; [and]
- c. it has the possibility to take meaningful action, thanks to a sufficiently specific notice concerning the uploaded illegal contents to be removed.

3. [The communication from the injured rightholder to the hosting provider does not require a formal cease-and-desist letter requesting the removal of the illegal contents insofar as it sufficiently identifies them.] It lies with the

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trial judge to make the factual assessment of whether, from a technical-IT perspective, the identification of the videos shared in breach of third-party rights is possible solely by indicating the name or title of the programmes from which they are taken, or whether, the communication of the "URL" address (according to the existing circumstances at the time of the events) is required.

## The Facts of the Case

The Tribunal of Milan's non-final decision No. 10893 of 9 September 2011 determined the infringement of RTI's (*Reti Televisive Italiane*) copyright by Yahoo Italia through the dissemination on its video portal of video clips taken from a number of the plaintiff's television programmes, the plaintiff being a producer of audio-visual works [...] and as a radio and television broadcaster. The Tribunal also inhibited Yahoo Italia from further disseminating the video clips, with a penalty for each infringement, and for each day of continuation of the tort, continuing the case for further discovery regarding the compensation claim. [...]

The decision No. 38 of 7 January 2015 of the Milan Court of Appeal accepted Yahoo Italia's appeal and rejected the claims of RTI. ...

[...]

The losing party lodged an appeal against this decision based on 12 grounds.

[...]

## The Reasoning of the Decision

### **1. Grounds of the Main Appeal**

[...]

### **2. The Ground of the Cross-Appeal**

[...]

### **3. The Appealed Decision**

[...]

### **4. The First Two Appeal Grounds: Framework of the So-Called Active Hosting Provider**

The first two appeal grounds, to be addressed together for their strict connection, relate to the position of the so-called active hosting provider.

The appellant argues that the counterparty, in practice, did not provide merely hosting services, which benefit from the special liability regime pursuant to Art. 16 Legislative Decree No. 70 of 2003 following Art. 14 of Directive 2001/31/EC, but it rather provided active hosting services, beyond the scope of application of the said Directive; therefore, the appellant criticises the appealed decision for having rejected this.

*51(3) IIC 389 (2020) at 391*

#### **4.1. The Definitions of Directive 2000/31/EC and of Legislative Decree No. 70 of 2003**

From the definition of “information society services” (Art. 2(a) Directive 2000/31/EC) it follows that the concept comprises those services normally provided for remuneration at a distance, by electronic means of data processing and storage and at the individual request of a service recipient (CJEU 12 July C-324/09 *L'Oréal v. eBay International*, para. 109). Thus, the service provider is the entity that offers internet access and internet-related services to its users.

The three cases outlined by Arts. 14, 15 and 16 Legislative Decree No. 70 of 2003, following Arts. 12, 13, and 14 of the Directive are respectively defined as “mere conduit”, “caching” and “hosting” [...].

It is a recurrent theme that the provision of liability safe harbours by the European Directive sought to

encourage entrepreneurship in the market for information society services, with the acceptance of the relative risks, according to the choice of European legislator (and so national legislators) as revealed by their own recitals.

Accordingly, the law and economics maxim of experience, according to which liability safe harbours support entrepreneurial choices, was applied. The technical configuration of liability (for own intentional tort, or for own negligence, vicarious, or strict liability) affects the allocation of risks in a different way on every occasion. For example, in order to reach given outcomes, it is believed more efficient to impose liability on the subject economically capable of sustaining such (least-cost insurer), or instead to opt for a strict liability regime which is reputed to incentivise necessary cautionary measures from those likely to be liable.

## 4.2. CJEU Case Law

The recent case law of the CJEU has accepted the notion of “active hosting provider” as referring to all those cases that are beyond the example when 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 by the persons to whom he provides his services”, while “[b]y contrast, those limitations of liability do not apply in the case where a provider of information society services plays an active role” recalling to this end recital 42 of the Directive (CJEU 7 August 2018, *Coöperatieve Vereniging SNB-REACT U.A. v. Deepak Mehta*, C-521/17, paras. 47 and 48 ...; CJEU 11 September 2014, C-291/13, *Sotiris Papasavvas* para. 44; CJEU 12 July 2011, C-324/09, *L'Oréal v. eBay International*, paras. 112, 113, 116, 123 ...; CJEU 23 March 2010, C-236/08 to C-238/08, *Google v. Luis Vuitton*, paras. 112, 113, 114 and 120).

Of course, the provision in Art. 14(1) of Directive 2000/31/EC must be “interpreted in the light not only of its wording but also of the context in which it occurs and the objectives pursued by the rules of which it is part” (CJEU 12 July 2011, C-324/09, *L'Oréal v. eBay*, para. 111).

Recently again, the CJEU (Judgment 14 June 2017, C-610/15, *Stichting Brein*), affirmed that provision and management of an online sharing platform, such as the

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one there considered, is an act of communication pursuant to Art. 3(1) of Directive 2001/29/EC; although, in that decision the platform providers were not parties to the proceedings.

The European Commission Communication COM(2017) 555 of 28 September 2017, titled “Tackling Illegal Content Online. Towards an enhanced responsibility of online platforms”, also took note of the orientation of the Court of Justice, according to which the liability exception of Art. 14 of the Directive is only available to hosting service providers that “do not play an active role” (page 11).

Accordingly, such a notion can be considered already acquired within the Community context.

It should also be mentioned in this regard, in a future legislation perspective, that the Proposal for a Directive of the European Parliament and of the Council on copyright in the Digital Single Market COM(2016) 593, in its version amended by the European Parliament on 12 September 2018, states in its second recital the need for “rules on the exercise and enforcement of the use of works and other subject-matter on online service providers' platforms”, integrating Directive 2000/31/EC, as the fourth recital specifies.

Recital 38 goes further with the following:

[...]

In essence, it seems an acknowledgement of the evolution of both the computer copyright-protection techniques and the need for such protection.

### 4.3. Imputability to the Joint Tort Liability

The distinction between an active and passive hosting provider can be framed well within the traditional theory of torts, consisting in either an action or a failure. The failure is a proper one when its consequences are absent, while it is an improper one if consequences follow. Further, should the event consist of the unlawful acts of others, it corresponds to joint failure with the main tortfeasor.

The position of the active hosting provider corresponds to the case of joint action tort liability. In this regard, it is worth mentioning the doctrinal observation that European private law is pragmatic and overlooks conceptual architectures, since the European legislator has the difficult task of being effective with the “minimum axiological investment” and “minimum rate of reconceptualization”. Further, European provisions originate from legal systems marked by a “tendency of under-theorisation”.

From the CJEU's point of view, its decisions are limited to the questions raised by the referring judges.

At the same time academics and judges, striving to find a new universally applicable doctrine beyond domestic dogmas, are called on in their respective roles to maintain the value of legal certainty. This also means they must trace back European provisions within an efficient conceptual system.

Thus, we can speak of an active hosting provider, outside of liability safe harbour, when a conduct of action is detectable in the above-mentioned meaning.

Suitable elements or “interference indices”, to be concretely ascertained by the trial judge, for outlining the position (of an active hosting provider) are the activities

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of – by way of example and not necessarily co-present – filtering, selecting, indexing, organising, classifying, aggregating, evaluating, using, modifying, extracting, or promoting the contents as operated by an entrepreneurial management of the service, as well as the adoption of techniques of user behaviour evaluation to enhance the retention of these latter ones. These are all activities that have, essentially, the effect of completing and enriching the fruition of content by determined users in a non-passive way.

### 4.4. The Fallacy of the First Two Grounds

In light of the above, the first two grounds are baseless.

Following the examined reasoning, the appealed decision cannot be endorsed when it rejects from the outset the concept of an active hosting provider; nevertheless, it is sufficient to correct its motivation, according to Art. 384(4) Italian Code of Civil Procedure, since the appealed decision is still lawful.

The qualification of the concrete case within the hypothetical case of Art. 16 Legislative Decree No. 70 of 2003, as done by the appealed decision that excludes the meeting of the active hosting requirements, is indeed commendable.

[...]

The trial court analysed the broad evidence – and the second ground of appeal of omitted examination of decisive fact cannot be attributed to it – and concluded that the position of the service provider, concretely, did not cross the limits of a mere passive hosting provider.

It stated that Yahoo Italia provided a video sharing service, through which individual users could upload contents, which could then be commented on by others, yet with the exclusive provision of data hosting, a simple service of website access without further data elaboration services. It further stated that not even the functions performed by Yahoo Italia through more advanced technologies show, in this case, manipulation of the uploaded data. Accordingly, this cannot change the nature of the described service, which remains merely a passive one.

Properly, such activities have not been subsumed under the indicated notion of active hosting, because they do not constitute uploaded data manipulation and they do not change the nature of the service.

As a result, in light of the aforementioned notion, the concrete case remains frameable within the legal case of Art. 16 Legislative Decree No. 70 of 2003.

## ***5. Obligations and Liabilities of the Hosting Provider***

The third, fourth, sixth and ninth grounds of appeal, to be examined jointly for their close connection, are well founded, within the limits set out below; the cross-appeal is also connected yet groundless.

They contend (or deny) that the service provider, once aware of the third-party's infringements within its service, especially upon a cease-and-desist letter sent by the injured rightholder, must remove such material and impede further infringements – all without the need to specify the so-called “URL” of each video for the obligation to take action to arise.

### **5.1. Regulatory Technique and Corresponding Meaning**

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In the logical-literal formulation of the provisions – Arts. 14–15 of the e-Commerce Directive and Arts. 16–17 Legislative Decree No. 70 of 2003 – the EU legislator, and correspondingly the national one, chose to state a general principle which affirms the liability regime, and thus, to delimit it to certain conditions.

The last article governing the providers' liability contains the general principle that regulates the matter, which establishes that within the provision of services referred to by the previous articles, the provider is neither subject to a general monitoring obligation upon the transmitted or cached information, nor to a general obligation of actively seeking facts or circumstances indicating illegal activity.

These provisions are a clear “manifesto” to ensure the expansion of the information society. The stated rules balanced – by direct intervention of the legislator – the interests behind the internet phenomenon, such as the freedom of expression, the so-called information technology confidentiality of the subject that uploads contents online, the independence of the intermediaries, the unique human rights of the subjects whose data are widespread, the copyright and any other subjective legal position likely to be affected by the use of the medium.

Moreover, the resulting legal rule is not different, but rather it is the same as a rule, deprived of the said rationale, drafted thus to impose service provider liability only in certain situations. Furthermore:

Articles 12 to 15 of Directive 2000/31 seek to restrict the situations in which intermediary providers of information society services may be held liable pursuant to the applicable national law. It is therefore in the context of national law that the conditions under which such liability arises must be sought, it being understood, however, that, by virtue of Articles 12 to 15 of Directive 2000/31, certain situations cannot give rise to liability on the part of intermediary service providers. (CJEU 12 July C-324/09 *L'Oréal v. eBay International*, para. 107)

## 5.2. The Limits of the General Liability Safe-Harbour Regime

So interpreted, for the sake of clarity of the stated rule, the rule of the said Art. 16 provides that, by hosting, i.e. the storage of information submitted by the service recipient himself, the provider is liable for the content of the information when:

- (a) he “has actual knowledge of the fact that the activity or information is illegal” and, as regards claims for damages, “he is aware of facts or circumstances that make apparent the unlawfulness of the activity or information” [...];
- or
- (b) he does not “act immediately to remove the information or to disable its access” as soon as he becomes “aware of such facts, upon notice from the competent authorities” [...]. If a difference is grasped, it is in the latter proposition, where the internal rule provides for the communication of the competent authority.

Here, the first of the liability cases matters: that is, the one that links the compensatory obligation to the fact of “awareness” by the service provider

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regarding the illegality of the information, which is especially “apparent” as regards damage claims.

The fact that these are two alternative conditions is confirmed by Art. 14 of the Directive 2000/31/EC, from which the domestic provision directly derives, where the disjunctive “or” is clearly placed between the first and the second letter of the provision.

## 5.3. Constituent Elements of Hosting Liability

In this regard, the first liability case explicitly includes, in addition to the omitted removal of contents, two constituent elements: the apparent illegality of the contents, and the knowledge thereof.

[...] This point is not contested here since the trial instances ascertained that the third-party's right exists and that the service recipients have infringed this.

The second element of the provision [i.e. Art. 16(1)(b) Legislative Decree 70(2003)] demonstrates that it is not strict or vicarious torts liability. According to the wording of the second element of the provision, it is rather liability for own negligence, aggravated by a situation of “apparent” illegality of the third-party’s conduct, whose protraction is not impeded by removing the information or disabling its access

Such subjective characters can be extended to the case of joint action of the tort of the so-called active hosting provider, discussed above, which also requires, following the general rules, the awareness of the illegality of the third-party’s action.

From the objective point of view, the in-“active” service provider is reproached, instead, for action through omission, having – if the aforementioned psychological element exists – jointly participated to the third-party’s infringing conduct permanently with permanent consummation, not having removed the data or disabled its access.

In this sense, we can say that Art. 16 Legislative Decree No. 70 of 2003 establishes a so-called hosting safe harbour, where the hosting provider, who is indispensable to the original perpetration of the unlawful act by the service recipient, becomes legally liable only when he fails to prevent the continuation of the service recipient’s unlawful act.

## 5.4. Actual Knowledge

The issue is to identify the legal notion of “actual knowledge” of the third-party’s “apparent” infringement, committed through the information service, as Art. 16(1)(a) Legislative Decree No. 70 of 2003 states, following Art. 14(1)(a) of the Directive.

This Court, analysing in criminal proceedings cases of violation of personal data rights through the making available of internet contents, noticed how our legislator, in accordance with Directive 2000/31/EC,

wanted to set as conditions for the liability of the provider his actual knowledge of the data uploaded by the user and any failure to remove information he knew as illegal. Accordingly, for the purposes of the

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interpretation of the position of the data controller, the legislator wanted to identify the decision-making power over data processing with the ability to concretely affect such data, which requires knowledge of the data themselves. (Italian Supreme Court, criminal composition, 17 December 2013, No. 5107)

The naturalistic element of the case draws from the concrete reality, where it is believed that an individual knows a fact when it has reached its psychic sphere, which has then fully learned and understood it. However, this is not the legal notion of knowledge, which requires the transposition of an impalpable event in



the context of positively verifiable situations.

Certainly, the notion is originally a psychological one relating to the so-called internal forum, and this is even more so for collective subjects, whose psychological status is inferred from that of the legal representative (Art. 1391 Italian Civil Code) – where notice is provided by the very holder of the infringed right – the ordinary means suitable to ensure the communication of the event apply, along the simple presumption system of Art. 1335 Italian Civil Code, whereby a subject has legal knowledge of an event if he received notice through written or verbal means of communication.

With regards to the liability of the information society service provider, in light of the interpretation and application of Art. 16(1)(a) Legislative Decree No. 70 of 2003, the knowledge of a third-party infringement – as a constitutive element of the liability of the provider – coincides with the existence of a related communication by the party whose right is breached.

The burden of proof for the sender in this regard relates only to the successful delivery to the address of the recipient since the objective fact of the arrival of the notice at the provided address postulates the delivery to such an address of the written communication.

The legal presumption of knowledge can be rebutted by evidence to the contrary, to be produced by the service provider, concerning the impossibility of acquiring, in practice, said knowledge because of an event beyond his influence.

The existence of such knowledge is the object of the factual appreciation of the trial court, and it cannot be assessed within the Supreme Court's legitimacy review.

It follows that the emergence of the obligation (explained in more detail below) on the part of the service provider does not require a “cease-and-desist letter” in a technical sense – as a request to perform the obligation to remove the illegal files – rather, the mere “communication” or notice of violation of the rights is sufficient.

Finally, without a written and formal notice to the provider, proof of his knowledge, burdening the holder of the violated right, could be given through any means, although it becomes harder to prove such.

## **5.5. Lack of a Preventive, General and Constant Obligation of the Provider to Monitor and React; Existence of a Removal Obligation if Aware of the Illegal Activities**

Article 17 Legislative Decree No. 70 of 2003 excludes a general and constant monitoring obligation; hence, the provider is not liable for failing to preventively and continuously monitor users' uploaded contents.

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Nevertheless, the provider is liable for damages when, being informed about such contents – either by the rightholder or otherwise – it did not act for their immediate removal.

Nor can the tenor of Art. 16(1)(a) Legislative Decree No. 70 of 2003 be diminished, and practically frustrated (as the cross-appellant argues), in light of Art. 17 of the same legislative Decree. On the one hand, this provision restates the lack of a general monitoring obligation of the contents shared, on the other, it establishes the obligation for the service provider to communicate the existence of offences/torts and also to communicate, on request, the personal identification data of the recipient of the service, in order not only to locate but also to prevent the illegal activities. Therefore, the main object of this provision is precisely to define the obligations of the information service provider towards the judicial and administrative authorities.

Therefore, the positive regulation leads to excluding any obligation for the provider (even if in-“active”) to actively seek out unlawful third-party acts once they are uploaded and shared online; however, such an obligation does arise once the providers acquire knowledge of the illegal activities.

The above-mentioned balance intended by the legislator of the interests behind the internet phenomenon was thus achieved by establishing a liability for the provider up to the extent of his direct involvement in or knowledge of an unlawful act: this therefore circumscribed, without nullifying it totally, the control over uploaded contents that might constitute online illegal acts.

## 5.6. Assessment of the Reasonable Validity of the Communication

The concern, advocated by some, according to which the same hosting service provider would become arbiter of the assessment of the lawfulness or unlawfulness of the uploaded contents, is irrelevant. In fact, as with any other circumstance of breach of right, the injured party can request the restoration or the termination of the conduct prior to any recourse to the competent authorities, trusting the tortfeasor to assess spontaneously the injured party's good reasons.

Actually, Art. 16(1)(a) Legislative Decree No. 70 of 2003 clarifies the point whereby it requires, for the establishment of eventual provider liability, that it is aware of acts that make the illegality of the activity or information apparent.

The hosting provider must so appraise, according to criteria of common experience and in compliance with expected professional diligence, the received communication and its reasonable validity (namely, the validity of the right of the allegedly injured subject, taking into account the positive rules that protect it, as interpreted by domestic and Community case law). In the event of a positive outcome of such appraisal, the hosting provider must in turn act quickly in order to eliminate the reported content.

The adjective (“apparent”), in practice, limits the liability of the provider to cases of gross negligence or wilful misconduct: if the illegality must be “apparent”, this means that it would be possible to find such without particular difficulty, according to the typical experience and know-how of the industry participant, and

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his professional due diligence, so that not having done so qualifies as at least gross negligence on his part.

Such an interpretation is consistent with judgments of the CJEU, according to which (since the lawsuit could entail a damage compensation decision) the judge must assess whether the information society service provider “[has] been aware of facts or circumstances on the basis of which a diligent economic operator should have identified the illegality in question”, thus encompassing the provisions, “[in order] not to be rendered redundant [...] every situation in which the provider concerned becomes aware, in one way or another, of such facts or circumstances”. So, for example, the provider “uncovers, as the result of an investigation undertaken on its own initiative, an illegal activity or illegal information, as well as a situation in which the operator is notified of the existence of such an activity or such information”, even though there could be cases in which “notifications of allegedly illegal activities or information may turn out to be insufficiently precise or inadequately substantiated” as the national judge must assess (CJEU 12 July C-324/09 *L'Oréal v. eBay International*, paras. 120–122).

Likewise, the CJEU excluded the restriction on liability, provided by Art. 14 Directive 2000/31/EC, when the service provider “after having become aware, because of information supplied by an injured party or otherwise, of the unlawful nature of those data or of activities of that recipient, fails to act expeditiously to remove or to disable access to those data” (CJEU 23 March 2010, C-236/08 to C-238/08, *Google v. Luis Vuitton*, paras. 109 and 120). Accordingly, it held that the knowledge of the illegality of the data implies liability regardless of how the knowledge is acquired and not only derived from the competent authorities.

Otherwise, in the case of “non-apparent” illegality in the aforementioned sense, the service provider is only subject to the obligation of informing the competent authorities (so-called “Notice”).

## 5.7. Possibility to Take Effective Action

Finally – alongside the requirement of the service provider's obligation to act, consisting of having been informed of the transmission of apparently illegal contents, it is also necessary to verify that, for the establishment of its compensation liability, the service provider could take meaningful and effective action. On the one hand, as mentioned above, it has the appropriate knowledge and skills, and on the other it is also capable of impeding third-party wrongdoing. This is the general principle according to which omissive liability requires that the perpetrator be able to take effective action.

To judge the provider's liability it is necessary to ascertain the constituent elements of the case (as with all cases of joint omission in the unlawful acts of a third-party). Specifically, this means: “the conduct”, consisting of the inaction; “the event”, as a prejudicial and improper third-party fact; “the causal link”, through the so-called counterfactual assessment, if the action could have prevented the event, also regarding its continuation, as in the present case; and “the subjective element” of the case.

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Under this last point, there are two complementary elements: the representation of the event in its illegal scope (which is independent of the modality and typology of the cognitive channel); and the conscious omission of preventing its continuation, for which the possibility of taking meaningful action is important.

In this context the burden of assertion and proof may be specified in the sense that it is up to the plaintiff holder of the infringed right to assert and prove, vis-à-vis the inactivity of the hosting provider, his knowledge of the illegal act undertaken by the service recipient (induced by the injured rightholder's own communication or otherwise) as well as to specify the elements of the apparent illegality. Having cleared this burden, the inaction of the provider per se implies liability, given the obligation to take action provided by Art. 16 Legislative Decree No. 70 of 2003. It remains up to the provider to prove the impossibility of it taking meaningful action, which can be taken if the provider has the technical and legal tools to impede such violations (e.g. by way of self-safeguarding contract power provided for by the contract with the service recipient).

## 5.8. Content of the Notice by the Damaged Rightholder: Regarding the Technical Necessity of Specifying the “URL”

One point remains to be established. The notice to the service provider must be suitable to allow the recipient to understand and identify the illegal content. To this end the technical-IT profiles must be assessed to determine whether, in the case of transmission of videos infringing third-party copyright, such products would be identifiable simply by mentioning the name of the programme from which they were taken and similar descriptive elements, or whether the precise indication of the so-called “URL” address (uniform resource locator) is required as an alphanumeric sequence identifying the searched address. And all of this, dealing with tort liability arising at the time from the omissive conduct, according to the technical capabilities of the time of the facts.

In the *L'Oréal* case, the CJEU left it to the national judge to assess the notices sent to the provider by the IP rightholders, [...] (CJEU 12 July C-324/09 *L'Oréal v. eBay International*).

The Commission Communication COM(2017) 555 of 28 September 2017 (cited above) offered certain guidelines in light of the current legal framework. It notes how, to date, online platforms “are typically in possession of technical means to identify and remove” the illegal content and that, given the

technological progress in information processing and machine intelligence, the use of automatic detection and filtering technologies is becoming an ever more important tool in the fight against illegal content online. Many large platforms are now making use of some form of matching algorithms, based on a range of technologies, from simple metadata filtering, to hashing and fingerprinting content.

The Communication adds that “in the field of copyright, automatic content recognition has proven an effective tool for several years” even in a “pro-active”

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function, rightly excluding, however, that this could imply, on the contrary, losing liability protection (page 13).

Furthermore, “technological tools can be used with a higher degree of reliability to fingerprint and filter out (take down and stay down) content which has been already identified and assessed as illegal”, through automatic content recognition and automatic take down and stay down procedures – in short, through automatic procedures aimed at preventing the reappearance of illegal content online (page 20).

However, this issue only regards the merits, requiring an indispensable assessment of the facts. The technical profiles involved may require a court-appointed expert opinion regarding the specific denomination of each individual television programme shared (which may or may not contain a combination of words original enough to distinguish them from common language). This is a situation that necessarily varies from one case to another. This assessment, however, was not done by the appealed decision, which omitted its analysis.

[...]

Therefore, it is not an issue of allocation of the burden of proof, which the appealed decision correctly considers to be placed upon the infringed copyright holder, also recalling its attenuation pursuant to Art. 6 Directive 2004/48/EC regarding copyright [...], together with the reference – this time made by the appellant – to the evidentiary discovery regime of Arts. 156<sup>bis</sup> and 156<sup>ter</sup> of the Italian Copyright Law [...]: indeed, given such burden according to ordinary evidentiary rules, the issue was not whether RTI had to prove infringement, but rather to assess whether the legal knowledge – a constituent element of the provider liability according to Art. 16 Legislative Decree No. 70 of 2003 – was integrated by the communication of the infringement of the right in the programmes mentioned in the notice, since this notice could have already been sufficient to allow the provider – using due professional diligence – to precisely identify the illegally shared videos.

Since this essential factual assessment was not made, because of the incorrect interpretation of the provision, the resulting application of the (hosting) liability regime was altered.

## 5.9. Lack of Internal Res Judicata

[... Reasoning dealing with the domestic *res judicata* principle.]

## 5.10. Unnecessary Notice or Order from the Authority

It must be noted that the argument, according to which the obligation to take action would not exist, is not acceptable, even in the presence of an unequivocal disclosure of the third-party's infringement, until an administrative or judicial public authority orders the intermediary provider to take action, or at least gives notice of it. This is due to the twofold legal provision that explicitly contemplates “communication” of the authority only in the second case.

On the other hand, recital 46 of the Directive implemented by Legislative Decree No. 70 of 2003, which is significant for interpretation purposes, stands in the same sense according to which “[i]n order to benefit from a limitation of liability, the provider of an information society service, consisting of the storage of information,  
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upon obtaining actual knowledge or awareness of illegal activities has to act expeditiously to remove or to disable access to the information concerned” without any further conditions for the obligation to take action to arise.

Nor can the general meaning of this provision be disregarded in light of the second part of the same recital, according to which

the removal or disabling of access has to be undertaken in the observance of the principle of freedom of expression and of procedures established for this purpose at the national level; this Directive does not affect Member States' possibility of establishing specific requirements which must be fulfilled expeditiously prior to the removal or disabling of information.

Reference to this principle only serves to refer to individual States' guarantees to protect the fundamental right to freely express ideas (see Art. 21 Italian Constitution).

## 5.11. The Additional Effect of the Notice: Obligation to Prevent Further Same-Type Violations

The third and ninth grounds of appeal are well founded, contesting the appealed decision for having considered non-existent the provider's obligation to refrain from publishing illegal contents of the same type of those already established as infringing upon third-party rights, and therefore for having denied the admissibility of an injunction in the same sense [...].

Actually, such an obligation is in no way comparable to the obligation – non-existent pursuant to Art. 17 Legislative Decree No. 70 of 2003 – of general and preventive monitoring of the contents uploaded by users. In fact, the ignorance of those contents (legitimate and protected by the above-mentioned provision) by definition defaults once the provider is informed by the injured party's notice.

In this regard, it may be useful to recall the CJEU's statements. According to the CJEU, Member States must provide for the adoption of measures that have the function “aimed not only at bringing to an end infringements of copyright and of related rights but also at preventing them”, and that nothing impedes the imposition on providers of an injunction with “significant cost” for them, blocking not only access to the address where the illegal contents are at the time published, but also “any other address of that site of which such company might be aware” (CJEU 27 March 2014, C-314/12 *Telekabel*, paras. 35–36 and 50).

As already stated, this concerns in particular the protection of copyright, also pursuant to Art. 11 Directive 2004/48/EC, according to which the Member States must ensure that “right holders are in a position to apply for an injunction against intermediaries whose services are used by a third party to infringe an intellectual property right” and “the jurisdiction conferred, in accordance with the third sentence of Art. 11 of the Directive, on national courts must allow them to order an online service provider [...] to take measures that contribute not only to bringing to an end infringements committed through that marketplace but also to preventing further infringements” (CJEU 12 July C-324/09 *L'Oréal v. eBay International*, paras. 127 and 131).  
*51(3) IIC 389 (2020) at 402*

If, in practice, the injunction is useless because the service in question has long since ceased (according to the counter-appellant's argument), this is an issue pertaining to the assessment of the trial judge.

## **6. The Other Grounds Are Consolidated**

[...]

## **7. In Conclusion**

[...]