

Special Remedies against Infringement of Copyright

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Abstract

Copyright infringement has become a serious issue and is increasing at an alarming rate in the modern world. Infringement occurs intentionally or unintentionally the work of creator is copied by another. This paper looks at the different remedies a person can ask for if there is a copyright infringement. The types of remedies a person can get for copyright infringement can be divided into three categories – civil remedies, criminal remedies and administrative remedies. Under Civil laws, owner may file for injunction, damages and accounts rendition, delivery of infringing copies and damages for conversion. Whereas under criminal law, one may file for imprisonment and fine, seizure of infringing copies and delivery of them to the owner. And under administrative law one may file for moving the Registrar to ban the import of infringing copies and delivery of the confiscated infringing copies to the owner.

This paper deals with four special remedies against copyright, which comes under civil remedies that are Anton Piller orders, Mareva junction, Jon Doe orders and Norwich Pharmacal Order. The Anton Piller consists of an order for search and seizure of specified documents or things in specified premises. It is obtained in secret for immediate execution. The Mareva injunction operates to freeze assets, it is a form of preservation order. When it comes to protect the intellectual property rights against certain unknown person and when a person who can be threat to a given task, project, work, where such person can't be traced due to his identity being hidden under various layers of covers, to protect such situations a legal remedial course of action emerges and that is termed as John Doe orders. The basic idea is to protect intellectual property rights where persons are anonymous. A person who becomes involved in the tortious acts of others, even if innocently, is under a duty to assist a person who is injured by those acts by giving full information by way of discovery and disclosure of the identity of the tortfeasor.

1

Introduction

Only human beings are capable of creativity as they can be authors, composers, artists and designers for creating their original works. Generally, it is they who will be entitled to enjoy the exclusive rights to do or authorize others to do certain acts in relation to rights vests with them. Copyright was the first intellectual property which received legal recognition in the world. "The right which a person acquires in a work which is the result of his intellectual labour is called copyright."

Copyright is a kind of intellectual property the importance of which has increased enormously in this era of modernisation where rapid changes are taking place in the field of printing, entertainment, film, media and music and computer industries.

Anton Piller Order

Anton Piller have tended to a considerable extent to flourish in the Chancery Division in connection with disputes relating to intellectual property infringements, piracy and the like and also employee confidentiality cases. However they can be applied in a wider range of circumstances and have also been granted in, inter alia, the Family Division. Their main purpose is preservation of the subject matter of the cause of action e.g. pirated tapes and documentary evidence such as client lists (in cases of restraint of trade clause breaches), customers supplied (in video piracy) etc.

Essential Constituents

Search and Seizure

The Anton Piller consists of an order for search and seizure of specified documents or things in specified premises. It is obtained in secret for immediate execution. There must be shown to exist a risk of removal or destruction. In the case from which the remedy takes its name, *Anton Piller K.G. v. Manufacturing Processes*,² the Court of Appeal stressed that the order could only be justified in the most exceptional circumstances, i.e. "only where it is essential that the Plaintiff should have inspection, when there is a grave danger that vital evidence will be destroyed... lost or hidden or taken beyond the jurisdiction and so the ends of justice defeated".

Consent to Entry

The Anton Piller order does not provide a private search warrant as such. Instead it requires the defendant to consent to entry and a refusal may lead to contempt proceedings. It should

²Anton Piller K.G. v. Manufacturing Processes [1976] Ch. 55 (C.A.)

be noted that there is no power to force entry and anyone doing so will be guilty of a criminal offence.

Execution

Execution is by a solicitor who does so as an officer of the court. The solicitor could, therefore, be placed in a dual role as both officer of the Court and Plaintiff's representative and this could be problematic. Notwithstanding that the court initially indicated that such an order would only be made in rare cases, there has hardly been a dearth of such. The specialist solicitors Hamlins, giving evidence in *Columbia Pictures v. Robinson*³ in 1985, asserted that they had obtained something in the region of 300 orders since 1974 and only very rarely had their applications been unsuccessful. There is evidence to suggest that there are currently about 50 applications per annum.

The Consequences of Non-Disclosure or Oppression

A number of consequences flow from non-disclosure or oppression in the process. First, the order may be set aside. Second, damages will lie. Scott, J. was prepared to include solicitors executing Anton Piller Orders as within the class of servants of the government (as opposed to Court Officers) and, as such, in relation to their oppressive or arbitrary acts, aggravated damages could be awarded. In this case he awarded £10,000 personally against the solicitor concerned.

Privilege against Self Incrimination

One problem which was met with fairly early on was that defendants were invoking a privilege against self-incrimination as an excuse for non-provision of information or documentation in response to the Anton Piller Order. The privilege relates, of course, to potential incrimination in subsequent criminal proceedings and the right of defendants to invoke such a defence against orders calling for the provision of information pursuant to Anton Piller orders was established in *Rank Film Distributors Ltd v. Video Information Centre*.⁴ Parliament immediately legislated to deal with the position by providing that there should be no such privilege enabling defendants to resist production of documents in intellectual property actions but that such documents could not be used in any subsequent prosecution: Supreme Court Act 1981 s.72.

Mareva Injunction

The Mareva injunction is the creature of judicial activism and development and the court's energy is not yet dissipated. However the Mareva now has a specific statutory basis in section

³3 All ER 338 [1986].

⁴2 All E.R. 76 [1981].

37 of the Supreme Court Act 1981. This provision simply states that the High Court may grant an injunction "in all cases in which it appears to the court to be just and convenient to do so". Sub-section 3 of that section provides as follows:

"The power of the High Court under sub-section (1) to grant an interlocutory injunction restraining a party to any proceedings from removing from the jurisdiction of the High Court, or otherwise dealing with, assets located within that jurisdiction shall be exercisable in cases where the party is, as well as where he is not, domiciled resident or present within that jurisdiction"

Essential Constituents

Freezing Assets

The Mareva injunction operates to freeze assets, that is to say, it is a form of preservation order. It prevents the defendant from putting those assets beyond the plaintiff's reach either by removal or dissipation. The asset may be a specific chattel, e.g. a ship or it may be money in a bank account. It is important to note that the Mareva injunction does not, of itself, provide a security interest or provide any priority for the successful applicant. It does not give the applicant (who can be a plaintiff or a counter-claiming defendant) any interest in the asset frozen nor can he jump the queue in any bankruptcy. It has also been established that debts incurred bona fide by the person whose asset is frozen can be paid out of the frozen fund.

Specified Sums

The Mareva will usually be granted up to a specified maximum sum to satisfy the potential judgment. This is simple in the case of Mareva's granted post-judgment but in the case of pre-judgment orders one needs to provide a not unreasonable estimate of the likely recovery.

Living Expenses

The Mareva is not meant to starve individuals into submission. The courts have said that the person subject to the Mareva should be allowed reasonable living expenses to be defrayed out of the frozen fund. In *Babanaft v. Bassatne*⁵ the defendant was allowed £5,000 per month living expenses. One might feel that this is a somewhat generous sum but it should be borne in mind that the assets frozen there amounted to US \$ £1 5,000,000. There was, therefore, no immediate risk of significant erosion of the fund. To the extent that this "thawing" of the fund encourages the plaintiff to pursue the substantive action with dispatch, it is in any event to be welcomed.

Specified Assets

⁵2 WLR 488 [1980].

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The injunction will lie against specified assets or accounts and those assets need to be specifically identified and located. In order to assist this the court may order disclosure of assets and Mareva injunction applications are often combined with applications for discovery in this way.

Defendants

Originally the injunction only lay against foreigners. That judicial xenophobia was subsequently overcome and, as we have seen from section 37 (3) Supreme Court Act 1981, home-based defendants are now equally vulnerable to attack.

Essential Pre-Requisites

Independent Jurisdiction

There must be a legal or equitable right being claimed; there has to be a cause of action within the jurisdiction to which the injunction is merely ancillary. Such was established by the House of Lords in the "*Siskina*"⁶ In this case there was a cargo claim justiciable in Italy. There was however some United Kingdom based insurance money and the claimants sought to have this fund made subject to a Mareva injunction. The House of Lords held that they had no independent jurisdiction over the substantive claim and could not, therefore, order an injunction. This has now been materially affected by the Civil Jurisdiction and Judgments Act 1982 s.25 of which provides that:

"The United Kingdom Court can grant an injunction in respect of proceedings where the substantive claim exists in a Convention State."

A Good Arguable Case

The applicant must show that he has a good arguable case both as to the merits on the substantive action and as to the existence of a serious risk that assets will be removed or dissipated if not enjoined. What is a good arguable case? Like many things it may be easier to recognise than define. In *Derby v. Weldon (No.1)* Lord Justice Parker⁷ said:

"The difference between an application for an ordinary injunction and a Mareva lies only in this: that in the former case the plaintiff need only establish that there is a serious question to be tried whereas in the latter the test is said to be whether the plaintiff shows a "good arguable case"- This difference... is incapable of definition."

Assets within the Jurisdiction

⁶*Siskina* (owners of cargo lately laden on board) and *ORS v. B Distos Compania Naviera S.A.*, A.C. 210 at 243 [1979].

⁷2 W.L.R. 276 at p.283 [1989].

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Section 37(3) speaks of the removal etc. of assets "[within] the jurisdiction of the High Court." As we shall see, notwithstanding that apparent limitation, the courts have shown willingness, in appropriate cases, to grant injunctions over assets beyond the jurisdiction of the High Court and this has been a most important development.

Risk of Removal /Dissipation

The basis of the injunction is that without it there is a serious risk of removal or dissipation. The applicant seeking a Mareva injunction must show positively that there is such a risk and amongst the matters to be deposed to in the applicant's affidavit are the business history of the defendant, reciprocal enforcement regimes and enforcement mechanisms in the defendant's own country and so forth. But the court does not necessarily expect to be given proof of previous defaults.

Undertaking in Damages

It is manifest that the grant of an injunction freezing an individual's or a company's asset, particularly a bank account, can have serious consequences for the enjoined person. If it turns out, subsequently, that the applicant's case is not well founded the enjoined party may seek compensation. Thus the applicant must, when applying for the Mareva injunction, provide an undertaking in damages. The undertaking will bite if it subsequently turns out that the grant of the injunction was unjustifiable.

Important Developments

There are two particular developments which need to be considered. The first, which has already been indicated, is the willingness of the courts to freeze assets outside the jurisdiction of the court. The second relates to the phenomenon of "conditional Marevas". We shall look at each in turn.

Power to Freeze Assets Worldwide

Until 1988 it was thought that the court had no jurisdiction to award a Mareva injunction in respect of overseas assets see section 37(3) of the Supreme Court Act adverted to earlier. Then in 1988 came the case of *Babanaft International Co SA v. Bassatne*.⁸ Here the court decided that it did have power to order the freezing of the defendant's assets worldwide: the court held that the reference in sub-section 3 to the jurisdiction of the High Court does not "restrict the territorial ambit of Mareva injunctions but [ensures] that there is no discrimination between." Note, however, firstly that this was a post-judgment case and the court emphasised that only very rarely would such an order be made in a pre-judgment case.

⁸*Supra Note* at 5.

Secondly, it was said that such a grant should be subject to a proviso that the injunction did not affect third parties holding such assets abroad but only the defendants themselves. It is clear from this that the court was aware of the problem of exercising exorbitant jurisdiction against third parties outside its jurisdiction and also the linked problem of unenforceable orders. Whenever one reads a judgment that says that something would only happen in the rarest of situations one can be sure that the Bassatne case came *Republic of Haiti v. Duvalier*.⁹ This was a pre-judgment case where the substantive claim was for \$120,000,000 against the Duvalier family. As indicated earlier, the substantive claim was French but the English courts were asked to grant a worldwide Mareva injunction and disclosure order. The court was prepared to grant such. It recognised that it would only do so in an extremely rare case but:

"It is not the nature or the strengths of the plaintiff's cause of action that puts them in that category [but] the plain and admitted intention of the defendants to move their assets out of the reach of the courts of law, coupled with the resources they have obtained and the skill they have hitherto shown in doing that and the vast amount of money involved".

Conditional Mareva

We saw earlier that there had to be an independent jurisdiction in the court. That is to say, that the English Courts could not grant a Mareva injunction unless they also had jurisdiction over the substantive action. But what if there is no extant cause of action at all at the time that the injunction is sought? On principle, it would seem that the court has no jurisdiction grant a Mareva injunction. However, a case which does not appear to have excited much interest is *A v. B*.¹⁰ The court observed that if it was to decline to make such a conditional order there would necessarily be a gap between the time it felt it appropriate for the injunction to take effect, and the time when, for administrative reasons, the Court would be able to grant the relief and in such circumstances the defendant might, during that hiatus, be able to defeat the purpose of the relief. Thus the order was made "if, as and when" the cause of action arises.

Jon Doe Orders

The origin of 'John Doe' orders was from the England's King Edward III and the orders were issued to unidentifiable defendant. Oxford Dictionary defined John Doe as "Anonymous Party". When it comes to protect the intellectual property rights against certain unknown person and when a person who can be threat to a given task, project, work, where such person

⁹2 WLR 261 [1989].

¹⁰2 LL. Rep. 423[1989].

can't be traced due to his identity being hidden under various layers of covers, to protect such situations a legal remedial course of action emerges and that is termed as John Doe orders.

John Doe Order and Indian Courts

Under the Indian scenario, John Doe order is issued in the following areas:

1. Movies

Before release or after release, the telecasting, copying and selling unauthorized copies of a movie.

2. Books

Author or Publisher may approach the court and establish that book authored by them is having a likely apprehension of copying without the permission of the author or the publisher.

3. Sports Events

Live telecast rights can be protected via John Doe order.

Legal Position of John Doe Orders in India

Order 30 Rule 1 of Code of Civil Procedure 1908 entails that where a petitioner has likelihood of happening of some infringement of copyrights by using the information created by petitioner or has clues of having his works copied to achieve some financial gains may approach the court and seek John Doe order. The court has been empowered under Order 39 Rule 1 and 2 of the Code of Civil Procedure, 1908 whereby the court can issue an injunction order to issue John Doe order.

Cases in India Where John Doe Order Has Been Granted

*E.S.P.N. Software India Pvt. Ltd. (Appellants) v.Tudu Enterprise AndOrs.*¹¹

The case was relating to Section 37(3) of the Copyright Act, 1957 whereas, the defendants had damaged the right of the plaintiff without entering into any proper contracts either with distributor or with plaintiff while using transmitting networks channels of plaintiff and showed events to their subscribers thereby, caused violations with respect to the reproduction laws of broadcasting.

It was held by the Hon'ble Delhi High Court that the channels belonging to the plaintiff were those of paid channels. These were viewed by the persons who were subscribed through a proper route of distributors. Therefore, it could have been accessed only by authorized users.

Key principles established in the case:

¹¹CS/OS/384/2011.

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1. It was established that the court might issue suitable injunction order considering the volume of business, loss of opportunity and to ensure the effective implementation of the restriction of misusing the Intellectual Property Rights.
2. The court appreciated the legal privileges secured by the trademark owners who are the owners should be given adequate protection while ascertaining the requirement of safeguarding their interests.
3. Even unidentifiable and unknown person can be brought under the purview of John Doe orders.
4. Enforcement machinery like police can be used to bring implementation in place.

VIACOM18¹²

In India, the judiciary has been actively accepting John Doe order as a principle to secure copyright issues from time to time. This has gain popularity in movies sector rapidly on account of prevention against unauthorized copying and piracy. Recently, Hon'ble Madras High Court has restricted on the application of Viacom18 1250 all identified and unidentified websites which are under apprehension of hosting pirated content prior to the launch of their latest upcoming movie namely Force – 2. In India, John Doe Order is also termed as “Ashok Kumar order”.

Key Principles established in the case;

1. The Internet Service Providers will get power and shall remain under the obligation to block websites upon the request from the content owners.
2. It is important here to understand that while blocking specific URLs it does enhance chances of piracy copies emerging on the same website again and also it ensures that collateral damage would be left out very minimum.

Norwich Pharmacal Principle

The principle of equitable discovery, resurrected by the House of Lords in *Norwich Pharmacal & Others v. Customs and Excise Commissioners*,¹³ is given ahead. A person who becomes involved in the tortious acts of others, even if innocently, is under a duty to assist a person who is injured by those acts by giving full information by way of discovery and disclosure of the identity of the tortfeasor. While *Norwich Pharmacal* and *Glaxo* were patent infringement cases, the principle pronounced in them has been extended beyond patents to include infringement of other intellectual property rights, as well as other causes of action

¹²Viacom 18 Motion Pictures v. Jyoti Cable Network and Ors.,CS(OS) 3288/2011.

¹³2 All ER 943.

where the wrongdoer's conduct is intentionally wrongful, fraudulent or defamatory. Subsequent cases have also expanded the principle well beyond the mere duty to identify.

The Norwich Pharmacal Case

Norwich Pharmacal owned a patent for a compound known as furazolidone, which was used as an additive in poultry feed. As a result of the returns filed by the Customs and Excise Commissioners, Norwich Pharmacal had proof that third parties were importing the compound into the United Kingdom and thereby infringing its patent. The returns specified the quantity of furazolidone being imported, but not the identity of the importer. The commissioners believed that the applicable customs statute required that this information be kept confidential. The summary of facts given by Roskill L.J. in the Court of Appeal sets a scenario characteristic of many piracy and counterfeiting cases:

The matter had originally arisen on the basis of a pleading that alleged that the commissioners were themselves guilty of infringing the plaintiff's patents, either as principals or as parties and that, in that context, they could be obliged to give discovery of the names of those importing the substance. The Court of Appeal concluded that the plaintiff had no reasonable cause of action against the commissioners. The court characterized *Orr* as a case in which the plaintiff had a tenable cause of action against the person from whom discovery was sought, if only for an injunction. Given that a cause of action existed, so too did a right of discovery against the defendant in the case. In *Norwich Pharmacal*, however, since there was no cause of action against the commissioners, there was no right of discovery. The House of Lords took a different view. The respondents pressed the argument that a connection between cause of action and right to discovery was necessary for the ordering of discovery and that the person seeking discovery should have a cause of action against the person from whom discovery was sought. Absent such a cause of action, the case would fall within the "mere witness" rule. Lord Reid concluded that such a rule was too narrow. The foundation of the "mere witness" rule was the assumption that, eventually, the testimony of such a witness would be available at trial. That reasoning had no application where the evidence sought was the very identity of the defendant, without which a trial could not take place. Thus, as Lord Reid concluded, discovery to find the identity of a wrongdoer was available not only from people against whom the plaintiff had a cause of action, but also from people who, through no fault of their own, got "mixed up" in the tortious acts of others so as to facilitate their wrongdoing. 'Though such people would incur no personal liability, they would have a duty to assist the person who had been wronged by giving him full information and by disclosing the identity of the wrongdoer.' The criteria that a court might consider in ordering discovery

of an innocent third party were set out by Lord Cross. They include such matters as the strength of the applicant's case against the unknown alleged wrongdoer, the relation subsisting between the alleged wrongdoer and the respondent, whether the information could be obtained from another source, and whether the giving of the information would put the respondent to trouble which could not be compensated by the payment of all expenses by the applicant. The full costs of the respondent of the application and any expense incurred in providing information would have to be borne by the applicant.

Lord Cross also addressed fears that a resurrection of the doctrine of equitable disclosure would be the "thin edge of the wedge" that might open the door to "fishing requests" by "would-be" plaintiffs who wanted to collect evidence. It was his view that "these fears are groundless... there is a clear distinction between simply asking for the name of a person whom you wish to make a Defendant and asking for evidence". Though these fears may have appeared to Lord Cross, they accurately forecasted the direction that the development of the Norwich Pharmacal principle would take.

Development of The Norwich Pharmacal Principle

The Norwich Pharmacal principle has been applied in a number of cases in the English Court of Appeal, including *British Steel Corp. v. Granada Television Ltd.*¹⁴ And *Bankers Trust Co. v. Shapira*.¹⁵ In *British Steel*, Lord Denning M.R. held that there was no reason why the doctrine should be so limited and that it ought to be available when the plaintiff wished simply to protect himself against future wrongdoing. The House of Lords decided the matter on the bases that the plaintiff had not yet renounced any intention to proceed against the party identified and that, therefore, the conditions for granting a remedy existed. "In *Bankers Trust*, Lord Denning adopted three unreported decisions that had ordered discovery of documents to trace moneys paid out by banks either as a result of fraud or mistake and that spoke to the scope of the disclosure that could be ordered under the Norwich Pharmacal principle.

Conclusion

A copyright infringement case should be approached as if it is a jigsaw puzzle. Your case's factual, statutory, court-created and practically necessary puzzle pieces should be identified, addressed, and related to each other sooner rather than later. Plaintiff's case may be successful if the pieces fit, but a shambles if one does not. Fair dealing is an important provision in Indian Copyright law. However, despite its importance in the copyright regime

¹⁴1 All ER 452 [1981].

¹⁵3 All ER 353 [1980].

and the importance in the copyright regime to advancement of technology, the concept remains unexplored in India.