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**MUTING PARTY-TIME – CAN HOTELS, PUBS AND EVENT MANAGERS DEFEND THE USE OF  
COPYRIGHT PROTECTED WORKS AT EVENTS AND PARTIES?**

ADARSH RAMANUJAN\*

*ABSTRACT*

*In December 2019, collecting agencies claiming to represent authors/copyright owners obtained interim injunctions against hotels/pubs from playing any of the copyrighted works they claim to manage, during Christmas/New Year parties. These reports relate to various orders of the Madras High Court and the Bombay High Court. This article endeavours to critically examine these orders in the context of the Copyright Act, 1957 and to analyse the larger issue concerning the interpretation of the term “communication to the public”, which is one of the exclusive rights granted to copyright holders. This critical examination includes an analysis of the above-mentioned orders to decipher their reasoning (or lack thereof) and a comparison with the law in the European Union, which has a (relatively) more robust jurisprudence on this topic. Apart from attempting to apply such jurisprudence to the factual context arising from the above orders, the article also examines whether such collecting agencies possess the standing, i.e. the legal right, to initiate such copyright infringement actions.*

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## I. THE RECENT COURT ORDERS

It was widely published in the media in December 2019 that certain collecting societies/Copyright societies successfully obtained interim injunctions against hotels and others, preventing them from using Copyright-protected music for their New Year and/or Christmas parties.<sup>1</sup>

The Madras High Court's order in this respect was passed in the case of *Phonographic Performance Ltd. v. the Accord Metropolitan and Ors.*<sup>2</sup> The Plaintiff was an association comprising various music labels and its case for copyright infringement under the Copyright Act, 1957 (“Copyright Act”) was directed against 50 different hotels/bars/inns. Vide the order dated 19.12.2019, the Madras High Court directed the Defendants to seek a license to play the songs/sound recordings and enjoined them from playing the same without such license.<sup>3</sup> This order, unfortunately, does not record any reasons for the grant of this direction/injunction. There is, instead, a reference to an earlier order dated 22.12.2019 in the same case,<sup>4</sup> in which the Court was apparently “inclined” to grant an injunction, which was also confirmed on appeal (albeit with the modification).

There seems to be a typographical error in that order as no order dated 22.12.2019 could have been passed before 19.12.2019 and it is perhaps a reference to an order of the same date but in the year 2017. This seems logical since there was an appeal order by the Division Bench of the Madras High Court on 28.12.2017.<sup>5</sup> Unfortunately, no order dated 22.12.2017 is available on the Madras High Court website for this case and therefore, the reasoning contained therein, if any, could not be analysed.

On the very same date, another order was passed by the Madras High Court in the case of the *Indian Performing Right Society Ltd v. K Murali and Ors.*<sup>6</sup> This case was filed by a non-profit body comprising of lyricists and composers, who had assigned their works in its favour. The first defendant was alleged to be someone who organised live events using playback singers,<sup>7</sup> and the

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<sup>1</sup> Swati Deshpande, *Party's over for pubs flouting rules on copyrighted songs*, TIMES OF INDIA (Dec. 26, 2019), [https://timesofindia.indiatimes.com/city/mumbai/partys-over-for-pubs-flouting-rules-on-copyrighted-songs/articleshow/72974444.cms?fbclid=IwAR2OpIjBjg2tmML.sho2SmKbPP\\_XwKqlupJRqtZcyoaFQpfj4ciEM0Y6vA04&from=mdr](https://timesofindia.indiatimes.com/city/mumbai/partys-over-for-pubs-flouting-rules-on-copyrighted-songs/articleshow/72974444.cms?fbclid=IwAR2OpIjBjg2tmML.sho2SmKbPP_XwKqlupJRqtZcyoaFQpfj4ciEM0Y6vA04&from=mdr); Swati Deshpande, *At Christmas dos, don't let music play sans licence: Bombay high court*, TIMES OF INDIA (Dec. 22, 2019), <http://toi.in/vzTN3b52/a28gj>.

<sup>2</sup> *Phonographic Performance Ltd. v. the Accord Metropolitan and Ors.* (Original Appeal No. 1116 & 1117 of 2019 in Commercial Suit No. 975/2017), Order dated 19.12.2019, Madras HC [hereinafter “Phonographic Performance, Mad HC”].

<sup>3</sup> *Id.* ¶¶ 4-5.

<sup>4</sup> *Id.* ¶ 2.

<sup>5</sup> *Id.* ¶ 3.

<sup>6</sup> *Indian Performing Right Society Ltd v. K Murali and Ors.*, (Original Appeal No. 1146 & 1147 of 2019 in Commercial Suit No. 723/2019), Order dated 19.12.2019, Madras HC.

<sup>7</sup> *Id.* at 1.

other Defendants appeared to be travel companies. On 19.12.2019, an injunction was granted against the Defendants from using the music/sound recordings for a proposed New Year event.<sup>8</sup> The order is primarily based on the Defendants' earlier conduct in promising to pay royalty for another event in the past, but only making a part payment with the remaining payment not being honoured.<sup>9</sup> The order contains almost no reasoning as to how a *prima facie* case was made out under the Copyright Act.

The Bombay High Court order on this issue is in six connected matters, one of them being *Phonographic Performance Ltd v. Hotel Hilton & Ors.*<sup>10</sup> However, a perusal of this order demonstrates that no injunction was passed on that date. Instead, it appears that there was previously an ad-interim injunction order passed by the Division Bench of the Bombay High Court on 22.12.2017,<sup>11</sup> which was confirmed by the Division Bench of the Bombay High Court on 21.01.2018.<sup>12</sup>

The order of the Division Bench of the Bombay High Court dated 22.12.2017<sup>13</sup> was in an appeal from an order of the Single Judge refusing interim injunction in favour of Phonographic Performance Ltd. The Single Judge had denied an injunction because the court *prima facie* felt that Phonographic Performance Ltd. did not have the *locus standi* (since it was not a registered Copyright Society).<sup>14</sup> The Division Bench of the Bombay High Court overturned the decision

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<sup>8</sup> *Id.* at 2.

<sup>9</sup> *See id.*

<sup>10</sup> Common Order dated 27.11.2019 as modified/corrected by Speaking to Minutes Order dated 04.12.2019 in *Phonographic Performance Ltd v. Hotel Hilton & Ors.* (Commercial Suit No. 306 Of 2019), *Phonographic Performance Ltd v. Orbis The Passion Hotels & Ors.* (Commercial Suit No. 304 Of 2019), *Phonographic Performance Ltd v. Hotel Madhuban & Ors.* (Commercial Suit No. 292 Of 2019), *Phonographic Performance Ltd v. Balaji Agora Mall & Ors.* (Commercial Suit No. 145 Of 2019), *Phonographic Performance Ltd v. Welcom Hotel Rama International (ITC) & Ors.* (Commercial Suit No. 123 Of 2019) and *Phonographic Performance Ltd v. The Vision Group (The Crown) & Ors.* (Commercial Suit No. 914 Of 2018).

<sup>11</sup> *Id.* ¶¶ 3-4.

<sup>12</sup> *Id.* ¶ 5.

<sup>13</sup> Common Order dated 22.12.2017 in *Phonographic Performance Ltd v. Avion Hospitality Pvt. Ltd. & Ors.* (Commercial Appeal (L) No. 100 Of 2017), *Phonographic Performance Ltd v. Deligent Hotel Corporation Pvt. Ltd. & Ors.* (Commercial Appeal (L) No. 99 Of 2017), *Phonographic Performance Ltd v. City Organisers Pvt. Ltd. & Ors.* (Commercial Appeal (L) No. 101 Of 2017), *Phonographic Performance Ltd v. Nyati Hotels & Resorts Pvt. Ltd. & Ors.* (Commercial Appeal (L) No. 102 Of 2019), *Phonographic Performance Ltd v. The Vision Group (The Crown) Bairo Alto Dos Pilotos & Ors.* (Commercial Appeal (L) No. 103 Of 2019) and *Phonographic Performance Ltd v. Hotel Babylon International & Group & Ors.* (Commercial Appeal (L) No. 104 Of 2017).

<sup>14</sup> *Id.* ¶ 5. (This issue of the standing of copyright societies arises due to a combined reading of Sections 54 and 33-34 of the Copyright Act. Only the owner of a copyright protected work is entitled to seek civil remedies for infringement and Section 54 defines the term "owner" to include an exclusive licensee. Section 33 of the Copyright Act prohibits any association of persons (e.g. copyright societies) from carrying out the business of licensing except under or in accordance with the registration under Section 33(3). Section 34 allows such registered societies to "administer" the rights of authors etc. and no express right to sue is granted. Thus, the questions arise whether an association not registered under Section 33(3) can seek civil remedies and even then, a further question arises whether such rights to administer includes the right to sue in order to seek license fee/injunction (which is to be distinguished from collecting license fee from voluntary licensees). A further discussion on this limited topic is

rendered by the Single Judge on the issue of *locus standi*,<sup>15</sup> however, while granting the injunction, it did not provide any reasoning justifying the injunction order. As a matter of usual course, the order dated 22.12.2017 ticks the checkboxes of *prima facie* case, the balance of convenience and irreparable injury, without elaborating on how each of these ingredients was fulfilled in the case.<sup>16</sup>

In sum and substance, it is clear that these orders of 2019 directed against persons from playing lyrics/music/sound recordings protected by Copyright do not independently justify the requirements of an interim injunction; instead, they rely on earlier orders of 2017/2018, which also, unfortunately, do not discuss how and why a *prima facie* case was made out.

The fundamental question, therefore, is whether there is any legal basis to injunct the playing of music/sound recordings at such specific events if no license is taken. A connected question is also whether the answer to the above issue would be different if the event organiser calls upon a live band/playback singer to recreate the music/sound recording.

#### A. The statutory provision in India

Presumably, each of these hotels/event organisers legitimately procured/purchased a copy of the music/sound recordings in question and/or had access to a legitimate copy (e.g. such a subscription to a music streaming service) but was playing them through loudspeakers/music systems to make it audible to a large crowd. With this assumption in mind, whether the impugned conduct amounts to copyright infringement would depend on whether it amounts to “communication of the work” to the “public”. “Communicating” a Copyright protected work to the “public” is one of the exclusive rights granted to Copyright holders under the Copyright Act. This is true for a literary work such as lyrics,<sup>17</sup> a musical work such as a music composition created by a music director,<sup>18</sup> a sound recording such as the final song owned by the music label,<sup>19</sup> or a cinematographic film such as the movie in which the song becomes a part thereof.<sup>20</sup>

The phrase “*communication to the public*” is defined in Section 2 (ff) of the Copyright Act.<sup>21</sup> This definition is extracted herein below:

“*“communication to the public” means making any work or performance available for being seen or heard or otherwise enjoyed by the public directly or by any means of display or diffusion other than by issuing physical copies*

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beyond the purview of this article.)

<sup>15</sup> *Id.* ¶ 7.

<sup>16</sup> *Id.* ¶ 8.

<sup>17</sup> Copyright Act, No. 14 of 1957, Gazette of India, Extra pt. II sec. 3 (Jan. 21, 1958), § 14(1)(a)(iii) (India).

<sup>18</sup> *Id.*

<sup>19</sup> *Id.* § 14(1)(e)(iii)..

<sup>20</sup> *Id.* § 14(1)(d)(iii).

<sup>21</sup> *Id.* § 2(ff).

*of it, whether simultaneously or at places and times chosen individually, regardless of whether any member of the public actually sees, hears or otherwise enjoys the work or performance so made available.”*

This definition makes it clear that the mode or mechanism used for the communication is irrelevant (distribution of copies is anyway excluded from the definition); it is also irrelevant whether any member of the public has actually seen, heard or otherwise enjoyed the work. The operative part of the definition makes it clear that it is intended to cover any act which makes the work ‘available’ for being seen or heard or otherwise enjoyed by the public. Emphasis is to be placed on the word ‘available’ and the word ‘public’.

The Copyright Act grants the same right to performers as well. ‘Performers’ are defined to include singers and musicians.<sup>22</sup> One of the exclusive rights granted to ‘performers’ under Section 38A(1)(a)(iii) of the Copyright Act<sup>23</sup>, is the exclusive right to “broadcast” or “communicate” the performance to the “public”.

On a side-note, one may also refer to the term ‘broadcast’ defined in Section 2 (dd) of the Copyright Act,<sup>24</sup> which is a subset of the term “communication to the public” and is limited to certain specific means being used to undertake communication to the public.

Unfortunately, there does not appear to be any definitive judgment in India on the meaning and scope of the term “communication to the public” and in particular, what constitutes making the work ‘available’ and who constitutes ‘public’.

## **B. Position of the law in the European Union (“EU”)**

### *1. Infosoc Doctrine*

The corresponding provision under the EU law is contained in Directive 2001/29, which is also popularly called as the “Infosoc Directive”. Under Article 3(1) of this Infosoc Directive, authors are provided with the exclusive right to authorise or prohibit any "communication to the public" of their works. Under Article 3(2) of this Infosoc Directive, performers, phonogram producers, film producers and broadcasting organisations are also given the exclusive right to authorise or prohibit "the making available to the public" of fixations of their respective performances, phonograms, films and broadcasts.

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<sup>22</sup> *Id.* § 2(qq).

<sup>23</sup> *Id.* § 38A(1)(a)(iii).

<sup>24</sup> *Id.* § 2(dd). [“Broadcast” means communication to the public-

(i) by any means of wireless diffusion, whether in any one or more of the forms of signs, sounds or visual images; or

(ii) by wire,

and includes a re-broadcast;]

2. *Locus classicus: The SGAE case and the "new public".*

The scope and meaning of the phrase "*communication to the public*" in Article 3(1) of said Infosoc Directive has been discussed in a series of judgements by the European Court of Justice ("ECJ"). The *locus classicus* is the judgement issued by the ECJ in the *SGAE* case in 2006.<sup>25</sup> *SGAE* was the body responsible for the management of intellectual property rights in Spain (similar to the Copyright societies contemplated under the Copyright Act) and it took the view that use of television sets and the playing of ambient music within a hotel amounted to "*communication to the public*" of the works managed by this entity. As such, *SGAE* took the view that this required a license and therefore, brought an action for compensation.<sup>26</sup> The case was referred to the ECJ by the Spanish Court for a preliminary ruling on certain questions of law.<sup>27</sup>

After noting that the Infosoc Directive did not define the phrase "*communication to the public*", the ECJ believed that this phrase must be interpreted broadly.<sup>28</sup> The Court also held that the term 'public' refers to "*an indeterminate number of potential*" persons,<sup>29</sup> taking into account that the purpose of the Infosoc Directive was to establish a high level of protection to the subject matter to allow authors to obtain an appropriate reward for the use of the subject matter. The Court concluded that in the circumstances of the case a "*fairly large number of persons*" would be involved in hearing/benefiting from the ambient music.<sup>30</sup> The Court made specific reference to the fact that hotel customers quickly succeed each other and the fact that apart from the hotel guests, even customers who were present in the common areas of the hotel (who were not guests in the hotel rooms) were able to make use of the television sets installed in such common areas.<sup>31</sup>

According to the ECJ, the clientele of a hotel formed what is called a "*new public*".<sup>32</sup> This is a phrase adopted by the ECJ from the non-binding "*Guide to the Berne Convention*" prepared by the World Intellectual Property Organisation.<sup>33</sup> This is a reference to such persons who were not direct users authorised by the author/copyright holder, but was not intended or not known to the author/copyright holder to be enjoying the work. In these circumstances, the ECJ also held that the private nature of hotel rooms does not necessarily preclude from a finding that

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<sup>25</sup> Judgment of the European Court of Justice (Third Chamber), Case C-306/05, Sociedad General de Autores y Editores de España (SGAE) v. Rafael Hoteles SA, decided on Dec 7, 2006, ECLI:EU:C:2006:764.

<sup>26</sup> *Id.* ¶¶ 20-22.

<sup>27</sup> *Id.* ¶ 23.

<sup>28</sup> *Id.* ¶ 36.

<sup>29</sup> *Id.* ¶ 37.

<sup>30</sup> *Id.* ¶ 38.

<sup>31</sup> *Id.* ¶¶ 38-39.

<sup>32</sup> *Id.* ¶¶ 41-42.

<sup>33</sup> *See id.*

transmission of musical work or any other work would amount to "*communication to the public*".<sup>34</sup> Interestingly, this is directly covered by the explanation to Section 2 (ff) in the Indian Copyright Act, which was substituted in 2012.

Subsequently, the same issue arose in the *OSA* case<sup>35</sup> but in the context of a spa operator. The ECJ referred back to the *SGAE* case and concluded that the spa operator was effectively making available the work to a new public.<sup>36</sup>

### 3. *The progression and refinement of the principles in SGAE: The Svensson case.*

The principles set out in the *SGAE* case have undergone further refinement through subsequent judgements of the ECJ and this is particularly the case for the concept of 'new public'. For instance, in the *Svensson* judgement,<sup>37</sup> the issue before the ECJ was concerning the operation of a website that provided its clients with a list of clickable internet links to articles published by other websites, where the original links were anyway freely accessible.<sup>38</sup> Even after concluding that this constituted an act of 'communication' and that the target audience was potentially an "indeterminate number" / "a fairly large number of persons",<sup>39</sup> the ECJ did not find in favour of the plaintiff because the target audience did not constitute 'new public'.<sup>40</sup> Primarily, the ECJ noted that the content was originally available on the internet on certain sites that were accessible freely to all internet users without any restrictive measures and thus, all internet users were considered to be the 'public' taken into account by the copyright holders when they authorise the initial publication.<sup>41</sup> Therefore, through the links on the other website, the very same Internet users were given a second mode of access to the very same content. This led the ECJ to conclude that the target audience of the alleged infringer did not constitute 'new public' and accordingly, authorisation of the Copyright holders was held not to be required in that case.<sup>42</sup>

### 4. *Stichting Brein and the four complementary criteria for determining "communication to the public"*

Another judgement of importance is the case of *Stichting Brein v. Jack Frederik Wullems* ("*Stichting*

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<sup>34</sup> *Id.* ¶¶ 51-54.

<sup>35</sup> Judgment of the European Court of Justice (Fourth Chamber), Case C-351/12, *OSA – Ochranný svaz autorský pro práva k dílům hudebním o.s. v. Léčebné lázně Mariánské Lázně a.s.*, decided on Feb. 27, 2014, ECLI:EU:C:2014:110.

<sup>36</sup> *Id.* ¶¶ 24-32.

<sup>37</sup> Judgment of the European Court of Justice (Fourth Chamber), Case C-466/12, *Nils Svensson, Sten Sjögren, Madelaine Sahlman, Pia Gadd v. Retriever Sverige AB*, decided on Feb 13, 2014, ECLI:EU:C:2014:76.

<sup>38</sup> *Id.* ¶ 8.

<sup>39</sup> *Id.* ¶¶ 19-23.

<sup>40</sup> *Id.* ¶¶ 24-32.

<sup>41</sup> *Id.* ¶¶ 26-27.

<sup>42</sup> *Id.* ¶ 28.

*Brein* case”).<sup>43</sup> This case concerned a seller of multimedia players that included add-ons allowing users to stream content from websites containing illegally uploaded Copyright protected works, i.e. websites hosting/streaming Copyright protected content without the consent of the copyright holders.<sup>44</sup> The ECJ, in this case, held that to determine whether this amounted to "communication to the public", one must account for “*several complementary criteria, which are not autonomous and are interdependent*”.<sup>45</sup> These complementary criteria are listed below:

- a. The role played by the alleged infringer, that is, whether he is an active intervener in making the content available to the users<sup>46</sup>;
- b. Whether the case involves an indeterminate number of potential persons/ fairly large number of people<sup>47</sup>;
- c. Whether the protected work is communicated to public using technical means different from those previously used, or, failing that, to a 'new public' (a public that was not already taken into account by the copyright holders when they are authorised the initial communication of their work)<sup>48</sup>;
- d. Whether the communication in question is of a profit-making nature<sup>49</sup>.

The ECJ in the *Stichting Brein* case, after applying these factors, found in favour of the plaintiff/copyright holder on the first two factors. The court also found in favour of the plaintiff/copyright holder on the last factor. On the issue whether the target audience constituted 'new public', the entire focus of the judgement was on the fact that the websites that the player linked to contained illegally hosted Copyrighted content. Thus, when access is given to work illegally placed, by default, the target audience was considered 'new public'.<sup>50</sup>

##### 5. *The final refinement: The GS Media Case.*

There is one further refinement of this concept worth mentioning, arising from the judgment of

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<sup>43</sup> Judgment of the European Court of Justice (Second Chamber), Case C-527/15, *Stichting Brein v. Jack Frederik Willems*, decided on Apr. 26, 2017, ECLI:EU:C:2017:300.

<sup>44</sup> *Id.* ¶¶ 14-18.

<sup>45</sup> *Id.* ¶ 30.

<sup>46</sup> *Id.* ¶ 31. [citing Judgment of the European Court of Justice (Grand Chamber), Case C-117/15, *Reha Training Gesellschaft für Sport-und Unfallrehabilitation mbH v. Gesellschaft für musikalische Aufführungs-und mechanische Vervielfältigungsrechte eV (GEMA)*, decided on May 31, 2016, ECLI:EU:C:2016:379, ¶ 34 & ¶ 36 & Judgment of the European Court of Justice (Second Chamber), *GS Media BV v. Sanoma Media Netherlands BV & Ors.*, decided on Sept. 8, 2016, ECLI:EU:C:2016:644, ¶ 35.

<sup>47</sup> *Id.* ¶ 32.

<sup>48</sup> *Id.* ¶ 32.

<sup>49</sup> *Id.* ¶ 34.

<sup>50</sup> *Id.* ¶¶ 47-52.

the ECJ in the *GS Media* case,<sup>51</sup> which was also a case concerning the issue of whether hyperlinking to other websites amounted to “communication to the public”. The facts in that case also involved hyperlinking to content on websites that were freely available to an Internet user, however, such websites were hosting the content without the consent of the copyright holder.<sup>52</sup> Emphasising on the consent of the copyright holder, the ECJ held that one must account for whether the defendant who hyperlinks to such websites knew or ought to have known that the websites contained such infringing content.<sup>53</sup> A rebuttable presumption is made to this effect when it comes to defendants who hyperlink for profit.<sup>54</sup> This would also be the case where the hyperlinking is intended to circumvent certain restrictions that restricted access to the original content, for instance, only to subscribers.<sup>55</sup>

A more recent judgement on the interpretation of this phrase is the case concerning the notorious website Pirate Bay – *Stichting Brein v. Ziggo BV* (“*Ziggo case*”).<sup>56</sup> The principles set out in the judgement mirror those set out in the earlier *Stichting Brein* case noted above. Apart from noting that the website in question gave access to the Copyright protected works to an indeterminate number of people and a fairly large number of people,<sup>57</sup> the ECJ in the *Ziggo case* also held that the target audience was a ‘new public’ since it gave access to illegally uploaded/shared copies of the Copyright protected works and the defendant knew/ought to have known this to be the case.<sup>58</sup>

## II. IS A PRIMA FACIE CASE FOR INFRINGEMENT MADE OUT?

### A. “Communication to public”

This brings us back to the fundamental inquiry of this article – would the playing of copyright music/sound recordings at specific events through loudspeakers/music systems amount to “communication to the public”? Given the lack of authoritative pronouncements in India on the interpretation of this phrase, it seems prudent to consider the jurisprudence outlined above, from the EU. Undoubtedly, the music/song is made ‘available’ to the audience through music systems/speakers and the audience can hear and enjoy the same.

The issue then turns to whether the audience at such events constitutes ‘public’. To determine

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<sup>51</sup> *G.S. Media BV*, *supra* note 47.

<sup>52</sup> *Id.* ¶ 25.

<sup>53</sup> *Id.* ¶¶ 43-53.

<sup>54</sup> *Id.* ¶ 51.

<sup>55</sup> *Id.* ¶ 50.

<sup>56</sup> Judgment of the European Court of Justice, Case C-610/15, *Stichting Brein v. Ziggo BV and XS4All Internet BV*, decided on 14 June, 2017, ECLI:EU:C:2017:456.

<sup>57</sup> *Id.* ¶¶ 27-42.

<sup>58</sup> *Id.* ¶¶ 44-45.

this, the ECJ jurisprudence noted above suggests at least a four-factor test<sup>59</sup>:

- a. The role played by the alleged infringer, that is, whether he is an active intervener in making the content available to the users;
- b. Whether the case involves an indeterminate number of potential persons/ fairly large number of people;
- c. Whether the protected work is communicated to public using technical means different from those previously used, or, failing that, to a 'new public' (a public that was not already taken into account by the copyright holders when they are authorised the initial communication of their work);
- d. Whether the communication in question is of a profit-making nature.

The first and fourth factors are clearly in favour of the Plaintiffs/Copyright holders. There is an active intervention by the hotels/bars/event managers in having the music/sound recording communicated to the audience/users and in most cases, presumably, it is a profit-making exercise since hotels/pubs/event managers typically charge for such events.<sup>60</sup>

As regards the second factor, since there is no *per se* bright-line rule, there is scope for debate. In *SGAE* case, for instance, it is evident that the ECJ focussed on the fact that hotels tend to have a fluctuating crowd in the lobby and rooms, and the audience tends to quickly succeed each other because of the regular inflow/outflow of people. The “cumulative effect” of all this was considered by the ECJ. The ECJ applied this “cumulative effect” factor in circumstances where at a given point in time the infringing communication was made available to few individuals and yet, because of the commercial setting, as well as the continuous and repetitive nature of the alleged communication, ‘cumulatively’, the infringing communication was made available to a large and disparate audience. This is not necessarily true in the facts at hand.

Certainly, there would be a large number of people – at each venue, one could consider perhaps 100s (or more). There is also a high likelihood of the audience quickly succeeding each other. However, the “cumulative effect” the ECJ was considering in the *SGAE* case is perhaps significantly more muted here because the situation involves a time-specific (e.g. an event confined to 3-4 hours on New Year’s Eve) and date-specific event (e.g. an event confined to New Year’s eve). These are not activities that take place throughout the day and/or throughout the year, unlike say, the background music played in hotels, pubs, gyms etc. This implies a

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<sup>59</sup> See *supra* Part I.B.3.

<sup>60</sup> There may still be a question as to whether the charges are in relation to the food/beverage only. Whether or not this is accurate, *prima facie*, much like in the *SGAE* case, hotels/pubs/event managers would indirectly profit because the type/popularity of the music played would cater to repeat clientele and certain assist in hotels/pubs/event managers maintaining a certain reputation that benefits their business.

restriction, albeit an indeterminate one, in the number of persons in the audience. Patrons may be flowing in and out, but this is restricted to a few hours only. Further, though there may also be several new patrons at each year's events, it may be accurate to suggest that each hotel/venue/pub would have a set of 'repetitive clientele' as well. In other words, it is unclear whether the first threshold of "an indeterminate number of potential persons" / "fairly large number of people" could or would be fulfilled.

This, nevertheless, leaves the third factor, i.e. whether the audience at such events would be 'new public'. Presumably, the hotel/venue/pub/event manager has purchased and/or has access to a legitimate copy of the music/sound recordings in question and if that is so, it is not a case of the audience being given 'access' to illegal copies as was the situation in the *Ziggo* case noted above.

Going by logic, the right holder intends that the ability for each user to enjoy the work is restricted to only those who purchase a legitimate copy thereof (or gain access to such legitimate copy via subscription to an authorised music platform). Although some leeway can be made for friends and family, for the purchase of a single copy (or single subscription), the intended target of communication is the purchaser himself/herself and not other potential purchasers. From this limited perspective, by purchasing one copy (or single subscription) but making 100s (or more) enjoy the same, the hotel/pub is enabling others not intended by the copyright holder to enjoy the work from that one copy (or single subscription).

The factual situation also involves the hotel enabling access/availability using technical means different from those previously used. This is because, for individual users, typically, the copyright holders intend to make the work available through selling copies of the work and/or through subscription to streaming platforms. By airing the work through loudspeakers/music systems, this restriction of availability by the purchase of copies or by subscription to streaming services is being broken.

On the other hand, it is possible that each person or some persons or a substantial number of persons in the audience has/have already purchased a legitimate copy for his/her personal use and/or have subscribed to a legitimate music streaming platform. Thus, by airing the same sound recording through music systems, the hotel/pub is merely making available another mode to enjoy the work albeit in a group or social setting. However, it is impractical, if not impossible, to assess this factual point, both for the hotels/pubs as well as for the Court.

In sum, this third factor ('new public') is a highly vexed issue and in this author's opinion, there is no easy or right answer. This author believes that a Court could swing either way depending on the facts and contentions before it.

When these “interdependent” factors are now stitched together for a final analysis, the answer is not exactly clear. While two factors support the Plaintiffs’/Copyright holders’ case, the situation with the remaining two factors is not 100% clear. The line of jurisprudence in the ECJ is also ambivalent on the level of interdependency between these factors and in this author’s opinion, this is a subjective element in the analysis. In such a situation, this author would consider the question debatable and open to interpretation. Further, in this author’s view, though the ECJ jurisprudence does not indicate this to be the case, a Court in India applying such factors is also likely to consider the quantum (of audience) involved to also be relevant in determining ‘new public’. Given the restricted nature of the events, in this author’s opinion, it is feasible furthermore, to conclude that they are not ‘new public’. Ultimately, the point is that a Plaintiff in such cases cannot have a *prima facie* case on their mere say-so; it would probably require some convincing and most certainly, a clear elucidation by the Court. Unfortunately, this is lacking in the Madras High Court and Bombay High Court orders discussed above.

Although this author does not preclude the possibility of the plaintiff establishing a *prima facie* case, the point being made here is that one has to be made out (and cannot be presumed automatically), especially because the standards to be applied in India are unclear.

1. *The legal standing to sue*

An important element of the *prima facie* analysis that every Court has to consider is whether the Plaintiff truly has the legal standing or the right to sue. By this, the author is not just referring to the issue of whether a collecting society, other than a registered one under the Copyright Act, can sue – an issue that was raised in the Bombay orders noted above. A discussion on that point is beyond the purview of this article and thus, the author does not wish to comment on the same. There is, however, another issue to be debated.

The other issue stems from Section 54 of the Copyright Act<sup>61</sup>, which only allows the owner or an exclusive licensee (ignoring the case of anonymous works for a moment) to seek civil remedies for copyright infringement. When a given music/sound recording is being utilised, one is potentially dealing with multiple rights *qua* different subject matters embedded within that same music/sound recording:

- a. The lyric, which amounts to literary work;
- b. The musical composition composed by the composer/music director, which amounts to musical work;
- c. The performance of the various musicians and singers who play the musical work

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<sup>61</sup> Copyright Act, *supra* note 17, § 54.

- and/or sing the lyric; and
- d. The final song as recorded on a medium, which amounts to a sound recording;
  - e. If applicable, the video/cinematographic film in which the aforesaid final song/sound recording gets utilised;

Technically, each of the above subject matters is different from another and enjoys separate sets of rights. If the song was created for a film, in practice, however, it is assumed under Section 17 of the Copyright Act that copyright over all the above works stands assigned to the film producer. The author uses the word 'assumed' because this author believes this legal understanding to be incorrect, though it is the prevailing view, as has been pointed out by this author elsewhere.<sup>62</sup> The film producer could further assign the right *qua* the sound recording to a music label. Even if the song was created for a standalone album, in practice, the authors/performers involved usually execute assignment agreements in favour of music labels.

Typically, therefore, even assuming there is an act of infringement, it is the film producer and/or music label as the case may be, who will have the right to sue for any infringement in any of the above works.

Granted, the amendment to the Copyright Act in 2012 added another layer of complexity. Among others, the Amendment stipulated through various changes to the Copyright Act that notwithstanding any assignment to a film producer and/or music label, the authors/performers retain a right to seek royalties for use of their work even after assignment. Section 18 of the Copyright Act was amended by this 2012 Amendment<sup>63</sup> to the effect that authors of literary (lyricists) and musical work (composers) shall have the right to receive royalties on an equal basis with the film producer/music label (as the case may be), for utilisation of their literary/musical work in any form other than communicating the same to the public in a cinema hall. Any agreement to the contrary is declared void.

It is obvious from the text of this amendment that the right of the author of the literary/musical work author is *qua* the film producers/music label. It is an *in personam* right against film producers/music labels who have obtained their copyright by assignment agreements; it is not an *in rem* right. Moreover, contrast is to be made with the language used in Section 14 of the

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<sup>62</sup> Adarsh Ramanujan, *Copyright of Music Composers, Lyricists and Performers: Another Missed Opportunity by Mad HC in the Illayaraja Cases – Part I*, SPICYIP <https://spicyip.com/2020/03/copyright-of-music-composers-lyricists-and-performers-another-missed-opportunity-by-mad-hc-in-the-illayaraja-cases.html> (last visited Apr. 09, 2020); Adarsh Ramanujan, *Copyright of Music Composers, Lyricists and Performers: Another Missed Opportunity by Mad HC in the Illayaraja, SPICYIP Cases – Part II*, <https://spicyip.com/2020/03/copyright-of-music-composers-lyricists-and-performers-another-missed-opportunity-by-mad-hc-in-the-illayaraja-cases-part-ii.html> (last visited Apr. 09, 2020).

<sup>63</sup> Copyright (Amendment) Act, 2012, No. 27, Acts of Parliament, 2012 (India).

Copyright Act<sup>64</sup>, which sets out the meaning of “copyright”. Section 14 deals with “exclusive” rights and infringement under Section 54<sup>65</sup> deals with the violation of such “exclusive” rights without the consent of the copyright holder. By the very nature of “exclusive” rights, it is a right granted against the entire world, *in rem*. The proviso to Section 18 added in 2012 does not deal with “exclusive” rights, but only a “right” to claim compensation from certain specified persons on a 50:50 basis. It is a right *simpliciter* (as opposed to an “exclusive” right) and this right has been contextually connected to be a claim against specified individuals, viz. assignees (as opposed to the whole world). A contextual interpretation, thus, suggests that the proviso to Section 18 does not confer an independent right to authors of literary and musical works to sue a third party for alleged utilisation of their works outside of a cinema hall.

This leads to the conclusion that (if and) once the copyright over the various works stand assigned to film producers and/or music labels, as the case may be, despite the 2012 amendment, the authors cannot sue a third party for playing the song/sound recording embodying their work before a huge crowd at a specific event. Even assuming such an act amounts to infringement, it is the film producers and/or music labels to which the right has been assigned, which will have the right to sue and in the event, any royalties are recovered from such alleged infringer such film producers or music labels would have a statutory obligation to share the same on an equal basis with the authors of the literary and musical works.

A similar conclusion would equally apply to the case of performers rights because Section 39A states that Section 18, *inter alia*, with necessary adaptations and modifications, will apply even to performers rights.

In other words, for lyricists, music composers and performers (and consequently, collecting societies/entities claiming to be administering their rights) to have the standing to sue, there must be an averment in the Complaint, substantiated with documents demonstrating that they retained the copyright in their works and that it is not assigned to film producers or music labels. Without such averment and/or substantiation, such lyricists, music composers and performers (and consequently, collecting societies/entities claiming to act in representative capacities) would lack the standing or the legal right to sue for the alleged infringement.

Accordingly, it is questionable for the Indian Performing Rights Society, for instance, to seek infringement against such acts unless they have pleaded and/or can substantiate that the authors/performers involved have ownership of the Copyright in their works. Given that this is

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<sup>64</sup> Copyright Act, *supra* note 17, § 14.

<sup>65</sup> *Id.* § 54.

likely to be a matter within the special knowledge of the authors/performers concerned and the collecting society in question, the burden would be on them to establish that no such assignment to the music label has taken place.<sup>66</sup>

Seen in this light, the suit initiated by the Indian performing rights Society before the Madras High Court appears unsustainable, since there is no recording of any such finding in the order of the Hon'ble Court.

As far as the suits initiated by *Phonographic Performance Ltd.* are concerned, the above analysis suggests that they would have standing to sue in such circumstances (ignoring for a moment the issue of whether only registered copyright societies can), but even there it would be incumbent on the Plaintiff to place on record appropriate assignment agreements *qua* each work for each sound recording and that too, with the proper scope.

To be fair, perhaps there was clear material to this effect in the pleadings/documents and/or perhaps this was not an issue contended by the defendants. Moreover, as noted earlier, this author believes the current interpretation practised in the industry on automatic assignment *qua* works involved in cinematograph films is incorrect<sup>67</sup> and if that is so, the conclusions on who has the standing to sue, and for what 'work', would be entirely different.

#### **B. Is the conclusion different in the case of live performances/live bands recreating the Copyrighted Works?**

The aforesaid conclusions are unlikely to change if, instead, the alleged infringer is using a live band/performer(s) to recreate the musical work in question. Under the Copyright Act, for literary work such as lyrics or musical works (composition),<sup>68</sup> the author has the exclusive right "perform the work in public". Therefore, if a live band recreates the musical work of the composer and/or uses the lyrics of the music in question, that will amount to "performing" the musical work and/or literary work. The remaining question is whether such performance is in "public". If the same standard of the term "public" as is used in "communicate to the public" is applied here, we once again face a difficult question for the same reasons enunciated earlier.

The above, however, was in the context of literary and musical works. About sound recordings, there is no separate exclusive right to "perform the work in public". Instead, the question will be whether such a live performance would amount to "communication to the public". The definition of this term is broad enough to include any mode, the key ingredient being the audience can "see or hear or otherwise enjoy" the work. Thus, performing the song could arguably be

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<sup>66</sup> The Indian Evidence Act, 1 of 1872, § 106.

<sup>67</sup> See *supra* note 63.

<sup>68</sup> Copyright Act, *supra* note 17, § 14.

considered as making ‘available the work’. Nevertheless, once again, it comes down to the difficult question of whether the audience fulfils the requirement of ‘public’.

### C. Is the conclusion different in the case of Broadcasts?

Under Section 37(1)(b) of the Copyright Act of India, one of the rights constituting "*broadcast reproduction right*" is the exclusive right to "*cause the broadcast to be heard or seen by the public on payment of any charges*". While the language is not identical to the phrase "*communication to the public*", it conveys the same meaning, albeit with the added condition that it must be on payment of charges. This added condition is missing in the definition of "*communication to the public*". This textual difference suggests that in the case of copyright-protected works and/or Performers' rights, the law focuses on exclusivity, i.e. preventing others, whereas, in the case of Broadcasts, the law focuses on revenue or compensation.

This distinction is also seen in the EU law and can be illustrated by reference to the judgement of the ECJ in the *SCF* case,<sup>69</sup> which arose under Article 8(2) of the Directive 92/100<sup>70</sup> (later replaced by Directive 2006/115<sup>71</sup>). The only reason for this case to be relevant in the present analysis<sup>72</sup> is the fact that the term ‘remuneration’ is mentioned in Article 8(2) of Directive 92/100, much like the term ‘compensation’ is mentioned in Indian law concerning ‘broadcasts’.

In the *SCF* case, the ECJ made special mention of the term ‘remuneration’ in this Article 8(2) of Directive 92/100 and contrasted this provision from Article 3 (1) of Infosoc Directive – the former was held to be a right that is compensatory in favour of performers and producers of phonograms, whereas the latter was held to be a right that is preventive in favour of authors.<sup>73</sup>

Although the reasoning and the judgment of the ECJ in said *SCF* case appears to involve a relatively more conservative analysis of the term “communication to the public” in Article 8(2) of Directive 92/100 given the above distinction, it seems that later cases have diluted the distinction. Reference in this respect may be had to the ECJ’s judgment in the *Reba Training*

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<sup>69</sup> Judgment of the European Court of Justice Case C-135/10, *Società Consortile Fonografici (SCF) v. Marco Del Corso*, decided on Mar. 15, 2012, ECLI:EU:C:2012:140.

<sup>70</sup> Council Directive 92/100/EEC of 19 November 1992 on Rental right and lending right and on certain rights related to copyright in the field of intellectual property, art. 8(2), 1992 O.J. SPEC. ED. (L 346) 61, 64.

<sup>71</sup> Directive 2006/115/EC of the European Parliament and of the Council of 12 December 2006 on Rental right and lending right and on certain rights related to copyright in the field of intellectual property, 2006 O.J. (L 376) 8.

<sup>72</sup> EU Copyright law is split across multiple Directives. The purpose here is not to analyse the same for a consolidated understanding. The limited point of relevance here is that the Directive 92/100 primarily dealt with rental and lending rights of authors, performers, phonograms/sound recordings and cinematograph films. It also dealt, in a limited way with the broadcasting and communication to the public, of performances and phonograms/sound recordings (Article 8 thereof). The rights concerning communication to the public of works by authors gets covered in Article 3(1) of the Infosoc Directive and Article 3(2) of said Infosoc Directive also dealt with making available to the public, performances, phonograms/sound recordings and cinematograph films. This Infosoc Directive also provided an exhaustive list of exceptions and limitations to such rights.

<sup>73</sup> *SCF*, *supra* note 70, ¶ 75.

case<sup>74</sup>, where it was held that the same tests must apply in determining whether an act was “communication to the public”, whether under Article 3(1) of the Infosoc Directive or Article 8(2) of Directive 92/100 (or the corresponding provision in Directive 2006/115).<sup>75</sup>

Therefore, the conclusions in the previous section of this article for copyright-protected works as far as the concept of “communication to the public” is concerned, are unlikely to change even in the context of ‘broadcast reproduction right’.

### III. CONCLUSION

In conclusion, the Bombay and Madras High Court orders which formed the starting point of this article lack sufficient reasoning to justify the interim injunctions granted therein. On the larger issue of what is covered by the term “*communication to the public*”, there is ambiguity on what is meant by the term ‘public’ in the Copyright Act. Honestly, it would be an exercise to in vain to attempt defining the term ‘public’ through legislation. Instead, going by the jurisprudence/interpretation of the similar law in the EU, there are multiple factors for a Court to evaluate. The application of these factors to the facts involved in the Bombay and Madras High Court cases do not present an easy answer. While a Plaintiff is not necessarily precluded from making out a *prima facie* case of copyright infringement, the factual situation presents complexities that could stump anyone. Therefore, for the Court to have directed such injunctions without having analysed the law clearly may not be the correct approach.

There is also the question of legal standing to sue and for the Court to have directed such injunctions without having analysed the assignment related issues carefully in its orders may also not be the correct approach. Although this author has made reference to one’s doubts on the correctness of the prevailing view on copyright ownership in the context of films, Plaintiffs need to be careful in understanding their position as far as copyright law is concerned and a proper assessment of the agreements in place may need to be undertaken before any litigation is pursued. The additional right created in favour of authors under the 2012 amendment does not grant authors the right to sue third parties if their rights stand assigned to film producers and/or music labels.

To be fair, as stated in this article, perhaps the defendants did not raise such issues. Even in that event, it is to be recollected that such orders tend to be considered precedents for all practical purposes and more nuanced/reasoned approach from judicially trained minds is the need of the hour to evolve copyright jurisprudence in this country.

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<sup>74</sup> Reha Training, *supra* note 47, ¶ 34.

<sup>75</sup> *Id.* ¶¶ 29-34.

**THE HYBRIDISATION OF PROPERTY, LIABILITY AND INALIENABILITY IN DATA  
PROTECTION**

LALIT PANDA\*

ABSTRACT

*Notions that individuals self-evidently have or that they should be granted property rights in their personal data have been in the air since the concept first came to be linked with ideas of control and freedom as opposed to simply protection from interference. However, the idea of propertised personal data comes with various complications that stem from the commodification of facts as well the lack of acknowledgement to the source of privacy in inalienable entitlements linked to inviolate personality. In critically analysing the case for property rights in personal data, this article inquires into alternative categories within which the data protection rights can be placed, focusing particularly on Calabresi and Melamed's seminal three-way distinction between property, liability and inalienability originally proposed using transaction cost analysis. The article considers some relevant developments regarding this categorisation as well as criticism of the market paradigm it engenders, before turning to the question of personal data. Here, several considerations both, for and against propertisation are recounted, including concerns regarding government control, solutions through technological intermediation, and the manner in which individual control can prevent knowledge production through the aggregation of useful datasets. Some additional arguments against propertisation related to indeterminacy, information asymmetry and inalienability are also forwarded. Using these normative and descriptive findings, the rules of modern data protection law (based on the European consensus) are examined to assess the forms of entitlements employed. The analysis suggests that the urge to resort to easy and absolute categorisations should be actively avoided and that data protection rules should be treated as a hybrid, sui generis category combining aspects of property, liability and inalienability simultaneously.*

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## I. INTRODUCTION: HOW “PERSONAL” IS “PERSONAL DATA”?

The discourse around privacy law has had a long and storied tradition of flirting with the conception of personal data as the property of the person to whom it pertains (“identified person”).<sup>1</sup> The notion has many attractions, with the foremost reason being the desire to create social acceptability regarding a person’s legal rights in their personal data. In India, the debate has gained prominence quite late in the day. In 2018, the Justice Srikrishna Committee of Experts on a Data Protection Framework for India released a draft Personal Data Protection Bill (“Srikrishna Draft Bill”) that characterised the relationship between an identified person and the entities processing their personal data as a “fiduciary” one.<sup>2</sup> Criticism emerged that the draft law had not made clear who “owned” the data and argued that clarifying this point was essential to setting the terms to any further debate on the subject.<sup>3</sup> Nonetheless, the formulation and lack of clarification on the ownership continues in the Personal Data Protection Bill, 2019, tabled in Parliament (“2019 Bill”).<sup>4</sup> The debate as to whether “property” is an appropriate way of describing a person’s rights in their personal data is important: while it is easy to simply dismiss the question as one of semantics or rhetoric, a number of important outcomes hinge on the question. One issue certainly does revolve around notions of rhetoric and the persuasion of public opinion. This has to do with the esteem granted to “property” in popular imagination as a concept that suggests a great degree of control on the part of the identified person.<sup>5</sup> The issue runs deeper, however, into detailed notions regarding how exactly the law is supposed to deal with personal data and how it is to structure legal protections granted to the identified person. Some of the oldest arguments in favour of legal recognition of informational privacy rooted the idea in “inviolable personality” and explicitly called for the recognition of new protections due to

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<sup>1</sup> “There is some difference in legal terminology in references to this “person”. Particularly, a choice between the terms “data subject” and “data fiduciary” can be considered to presuppose answers to the questions that this article seeks to pursue. As a result, the term “identified person” shall be used and it is hoped that this also lends itself to accessibility on the part of readers.”

<sup>2</sup> Ministry of Electronics & Information Technology, *Draft Personal Data Protection Bill, 2018*, [https://www.meity.gov.in/writereaddata/files/Personal\\_Data\\_Protection\\_Bill,2018.pdf](https://www.meity.gov.in/writereaddata/files/Personal_Data_Protection_Bill,2018.pdf)

<sup>3</sup> Rajeev Dubey, *Srikrishna report: Too weak, too lenient and devoid of new ideas; accept TRAI report on data protection*, BUSINESS TODAY, July 29, 2018, <https://www.businesstoday.in/opinion/business-wise/srikrishna-report-data-protection-law-tra-i-recommendations/story/280757.html>; The Wire Analysis, *The Good, Bad and Ugly on India's Template for How Your Data Will be Protected*, THE WIRE, July 28, 2018, <https://thewire.in/tech/india-template-data-protection-draft-bill>; see also, Arghya Sengupta, *Why the Srikrishna Committee Rejected Ownership of Data in Favour of Fiduciary Duty*, THE WIRE, Aug 2, 2018 <https://thewire.in/tech/why-the-srikrishna-committee-rejected-ownership-of-data-in-favour-of-fiduciary-duty>.

<sup>4</sup> Personal Data Protection Bill, Bill No. 373 of 2019, [http://164.100.47.4/BillsTexts/LSBillTexts/Asintroduced-/373\\_2019\\_LS\\_Eng.pdf](http://164.100.47.4/BillsTexts/LSBillTexts/Asintroduced-/373_2019_LS_Eng.pdf).

<sup>5</sup> Lawrence Lessig, *Privacy as Property* 69(1) SOC. RES.: AN INT’L Q. OF SOC. SCI. 247, (2002); LAWRENCE LESSIG ET AL., CODE: AND OTHER LAWS OF CYBERSPACE, VERSION 2.0 229, (2nd ed., 2006).

the inadequacy of physical property regimes.<sup>6</sup> Other initial and equally seminal proposals have been clear that the matter should be made one of property.<sup>7</sup> No doubt, the debate regarding how to structure the regulation of personal data must answer questions regarding whether the identified individual is simply to be protected by the state or is to actually have some measure of control over the said data so that they can also act to protect themselves and enjoy the fruits of such control.

On the other hand, this raises many concerns regarding whether this would “commodify” personal data and make it entirely open to trade in markets. In the current structure of the digital economy, the prevalence of free digital content and services means that unregulated personal data is widely used as a form of payment for such content and services. This has led, in Europe at least, to proposals regarding the treatment of personal data as “counter-performance”<sup>8</sup> and debate regarding the appropriateness of this allowance.<sup>9</sup> The status of personal data as property could also create complications in relation to the basis for determining the constitutionality of data protection’s speech restrictions. Intellectual property protections certainly seem to ward off scrutiny for potentially violating the right to free speech and expression by differentiating ideas from expressions. How would this be reconciled when it comes to the apparent status of personal data as “facts”?<sup>10</sup>

This article takes some modest steps to bring order to an already muddled debate. To facilitate this, the section that immediately follows provides some conceptual clarity on the appropriate means by which to categorise different kinds of legal entitlements and how “property” features within this framework. The third section then considers the argument in favour of propertising personal data as well as some of the criticisms levelled against this idea. The fourth section then proceeds to analyse the appropriate classification of the different rules within the model of modern data protection law that has seen the most consensus. It argues that the system should

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<sup>6</sup> Samuel D. Warren & Louis D. Brandeis, *The Right to Privacy*, 4(5) HARV. L. REV. 193, 195, 198-99, 205 (1890).

<sup>7</sup> ALAN F. WESTIN, *PRIVACY AND FREEDOM*, 324 (Atheneum Press, 1967).

<sup>8</sup> Proposal for a Directive of the European Parliament and of the Council on certain aspects concerning contracts for the supply of digital content, COM (2015) 634 final, 2015/0287 (COD).

<sup>9</sup> Alex Metzger, *Data as Counter-Performance: What Rights and Duties do Parties Have?* 8(1) J. INTELL. PROP., INFO. TECH. AND E-COMM. L., 2- 8 (2017); European Data Protection Supervisor, *Opinion 4/2017 on the Proposal for a Directive on certain aspects concerning contracts for the supply of digital content*, Mar. 14, 2017 “(the proposal was given effect in modified form as Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services).

<sup>10</sup> Richard H. Jones, *The Myth of the Idea/Expression Dichotomy in Copyright Law*, 10(3) PACE L. REV. 551 (1990); Eugene Volokh, *Freedom of Speech and Information Privacy: The Troubling Implications of a Right to Stop People From Speaking About You*, 52 STAN. L. REV. 1049, (2000); Eugene Volokh, *Freedom of Speech and Intellectual Property: Some Thoughts After Eldred*, 44 *Liquormart*, and *Bartnick’s*, 40(3) HOUS. L. REV. 697, (2003); Neil M. Richards, *Reconciling Data Privacy and the First Amendment*, 52 UCLA L. REV. 1149, 1158-59 (2005).

appropriately be treated as a *sui generis* hybrid of previously mentioned categorisations and that this is as it should be. The final section concludes.

## II. PROPERTY, LIABILITY AND INALIENABILITY: A CONFUSION OF CATEGORIES

### A. Legal Notions of Property

Many legal categories and concepts are notoriously slippery. This has indeed been true of the concept of “privacy”.<sup>11</sup> We are concerned here only with informational privacy, of course, and while that may reduce some of the indeterminacy in the meaning of the subject, it certainly does not answer the key question animating the present inquiry: does one appropriately regulate for informational privacy by creating property rights in personal data? At its core, this question is more normative than descriptive. It does not presume the existence of some rules, which it then seeks to fit into particular legal categories, but instead seeks to find the right categories and then develop rules in their mould. To this end, an initial conceptual question must nonetheless be answered: what is property and what are the rival categories to “property” from which we must choose?

*Black’s Law Dictionary* defines the term to mean “the right to possess, use, and enjoy a determinate thing (either a tract of land or a chattel)” or “any external thing over which the rights of possession, use, and enjoyment are exercised,”<sup>12</sup> thus referring to the term as both the right as well as the thing to which the right pertains. It also quotes an illuminating passage from Salmond:<sup>13</sup>

“In its widest sense, property includes all a person’s legal rights, of whatever description. A man’s property is all that is his in law. This usage, however, is obsolete at the present day, though it is common enough in the older books. In a second and narrower sense, property includes not all a person’s rights, but only his proprietary as opposed to his personal rights. The former constitutes his estate or property, while the latter constitute his status or personal condition. In this sense a man’s land, chattels, shares, and the debts due to him are his property; but not his life or liberty or reputation. In a third application, which is that adopted [here], the term includes not even all proprietary rights, but only those which are both proprietary and in rem.

The law of property is the law of proprietary rights in rem, the law of proprietary

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<sup>11</sup> Daniel J. Solove, *Conceptualizing Privacy*, 90(4) CALIF. L. REV. 1087, 1088 (2002).

<sup>12</sup> *Property*, BLACK’S LAW DICTIONARY 1335-36 (Bryan A. Garner ed., 9<sup>th</sup> ed., 2009).

<sup>13</sup> JOHN SALMOND, JURISPRUDENCE 423-24 (Glanville L. Williams ed., 10<sup>th</sup> ed. 1947).

rights in personam being distinguished from it as the law of obligations. According to this usage a freehold or leasehold estate in land, or a patent or copyright, is property; but a debt or the benefit of a contract is not.”

Readers may mark, especially, the distinctions between property rights, contractual rights, and rights that Salmond refers to as “personal rights” related to “status or personal condition”.

A three-judge bench of the Supreme Court of India, in *Vikas Sales Corporation*, considered the meaning of “property” in detail in having to determine whether the concept covered such intangible assets as replenishment licenses and exim scrips under the then prevailing export-import policy. The bench quoted a definition from an older edition of *Black’s Law Dictionary* as defining “property” to be a concept that extends:<sup>14</sup>

“...to every species of valuable right and interest. More specifically, ownership; the unrestricted and exclusive right to a thing; the right to dispose of a thing in every legal way, to possess it, to use it, and to exclude everyone else from interfering with it. That dominion or indefinite right of use or disposition which one may lawfully exercise over particular things or subjects. The exclusive right of possessing, enjoying, and disposing of a thing...”

It should be noted, however, that even with these definitions regarding the bundle of rights usually included within the term “property”, the Court nonetheless particularly fixed upon a specific characteristic in one of the definitions it surveyed: the notion that “property” signified “things and rights considered as having a money value, especially with reference to transfer or succession”.<sup>15</sup> Finally, in determining that the relevant licenses were “property”, the Court reasoned:<sup>16</sup>

“The above provisions do establish that R.E.P. licenses have their own value. They are bought and sold as such. The original licence or the purchaser is not bound to import the goods permissible thereunder. He can simply sell it to another and that another to yet another person. In other words, these licenses/Exim Scrips have an inherent value of their own and are traded as such.”

Without further comment here, the attention of readers may only be drawn to the fact that, in this particular instance of judicial reasoning, two characteristics of a thing were treated as determinative of its being “property”: monetary value and tradability. This will prove of interest

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<sup>14</sup> *Vikas Sales Corporation v. Commissioner of Commercial Taxes*, (1996) 4 SCC 433, at para. 23.

<sup>15</sup> *Id* at para. 25-26 - quoting JOWITT’S DICTIONARY OF ENGLISH LAW, VOLUME-I (Sweet & Maxwell Ltd., 1977).

<sup>16</sup> *Id.*, at para. 33.

in the analysis that follows.

### **B. Property, Liability and Inalienability**

In our attempt to arrive at the appropriate classification of rights related to personal data, a particularly useful tool may be found in the sheer explanatory power of the categorisation of entitlements developed by Calabresi and Melamed. In their seminal 1972 *Harvard Law Review* article, they consider how legal systems set legal entitlements between parties with conflicting interests and when they chose to set property rules, liability rules and inalienability regimes.<sup>17</sup> They describe “property” rules as rules in which the legal system assigns an initial entitlement in favour of a particular person and then allows for the removal of that entitlement only through a transaction to which the property’s owner must consent. Crucially, the value that must be paid to remove the entitlement from the initial owner is something that is entirely within the choice of said owner. On the other hand, when it comes to “liability” rules, the legal system goes a step further: it not only assigns the entitlement to a particular person but, by setting out the extent of liability of any infringer of the entitlement, it also objectively determines how much needs to be paid by the person who is removing or destroying that entitlement. Here, the legal rule represents a collective determination regarding the value of the entitlement rather than allowing for the dominance of the subjective evaluation of the owner. Finally, they consider an entitlement to be “inalienable” when the legal system prohibits transfers even between perfectly willing buyers and sellers. Inalienability regimes determine who has the entitlement and the compensation that needs to be paid if the entitlement is damaged or destroyed, but beyond this, it also limits the entitlement itself by not considering the ability to transfer the entitlement as part of the entitlement.<sup>18</sup>

Calabresi and Melamed’s categorisation was animated by the confusion created by prevailing legal categorisations, such as the treatment of certain kinds of rights against nuisance as property rights. It should be apparent that where the law does not allow for a court injunction preventing someone from causing nuisance but instead allows only for compensation, the entitlement involved is not so much a property right as it is a liability rule: it allows for the owner’s enjoyment of her property to be curtailed by the creator of nuisance for a legally determined cost instead of a price determined by the owner herself.<sup>19</sup> But isn’t society better off if an initial owner only gives up their entitlement when they are paid their price by a buyer who values it more?

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<sup>17</sup> Guido Calabresi and A. Douglas Melamed, *Property Rules, Liability Rules, and Inalienability: One View of the Cathedral*, 85(6) HARV. L. REV. 1089 (1972).

<sup>18</sup> *Id.*, at 1092-93.

<sup>19</sup> *Id.*, at 1105-06.

That way, they receive compensation as per their valuation and the person who would enjoy the entitlement (or its converse) more gets their way as well. Why should the law allow any entitlement to be destroyed without the consent of the person holding it?

Now here we come to the real normative proposition regarding choice between property and liability rules. Calabresi and Melamed use standard tools of economic analysis to argue that property rules are to be foregone in favour of liability rules where the transfer of the entitlement is valuable to society but the “transaction costs” are so high that it would be highly unlikely that any transaction ever takes place. Now, transaction costs include all the costs involved in getting a transaction to happen or the costs that may have to be borne if voluntary transactions were to be made the only way to allow for transfers. These include costs that would have to be borne by society if individuals selfishly hold out on selling their property for socially useful purposes even when offered a seemingly fair price.<sup>20</sup> To prefer a liability rule to a property rule, it isn’t necessary to establish that worthwhile transactions are impossible, only that making them happen is so costly that it’s better to set an objective, collectively-determined price in the form of liability.

This analysis also provides a succinct reason for choosing an inalienability regime: if it is too costly to pay for the damage caused by certain kinds of transactions or if the cost incurred by other persons “does not lend itself to an acceptable objective measurement”, it is best to prohibit them altogether. Selling oneself into slavery or selling one’s organs feature as examples of transactions and transfers that can come to be entirely prohibited, even when the parties immediately involved are willing to go ahead with it. It may also be stretched to refer to the invalidity of transactions when inebriated.<sup>21</sup>

### **C. Modifications and Criticisms**

The Calabresi-Melamed formulation has, over the years, given rise to a deluge of academic discussion and this may not be adequately represented here. Some contributions may be highlighted to further the analysis that comes after. One important point of departure is the emphasis placed by some scholars that the mere appearance of “transaction costs” should not be enough to switch from property to liability rules. This is particularly so because even if it may be difficult for negotiating parties to arrive at a fair resolution regarding the appropriate value of an entitlement, a judge may have even higher costs at arriving at a decision on the appropriate amount to impose as liability. This would mean that the transaction costs could easily be lower

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<sup>20</sup> *Id.*, at 1107.

<sup>21</sup> *Id.*, at 1111-13.

than the “assessment costs” of liability-imposing courts.<sup>22</sup>

Another insight crucial for the present analysis is the view that liability rules are essentially partial property rules or ‘divided’ entitlements: while property rights protect interest in a thing absolutely, a liability rule can protect that interest partially or circumstantially while allowing for liability-based transfers when the relevant circumstances do not hold. Thus, while one may ordinarily have the absolute right to be free from bodily injury, one may lose that absolute right when someone accidentally injures us, triggering a liability rule. As Ayres and Talley argue, dividing a legal entitlement between rivalrous users can discourage them from behaving strategically (e.g. misrepresenting reservation prices during bargaining) and encourage them to bargain forthrightly:<sup>23</sup>

“Owners of divided, or “Solomonic,” entitlements must bargain more forthrightly than owners of undivided entitlements, because the entitlement division obscures the titular boundary between “buyer” and “seller.” This strategic “identity crisis” can strongly mitigate each party's incentive to misrepresent her respective valuation; each party must balance countervailing interests in shading up her valuation, as one would qua seller, and shading down her valuation, as one would qua buyer. This form of rational ambivalence, we argue, can lead the bargainers to represent their valuations more truthfully.”

This favours liability regimes as the division of entitlements created by such regimes facilitates forthright behaviour and better coordination. Similarly, some scholars have sought to rebut the argument that high ‘assessment costs’ borne by courts favour the creation of property regimes. While it might seem intuitive that the law should favour a property regime where the state cannot easily estimate ‘harm’ for the purposes of liability, this argument overlooks the fact that estimations regarding harm and regarding the cost of preventing harm would nonetheless have to be assessed at the initial stage when deciding how to assign property rights. Kaplow and Shavell point out this oversight and further argue that, liability rules tend to reveal the actual cost of preventing harm over time and that liability imposed on the basis of average estimates of harm makes for a superior rule to property.<sup>24</sup>

General criticism of the economic paradigm underlying the Calabresi-Melamed classification is

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<sup>22</sup> James E. Krier and Stewart J. Schwab, *Property Rules and Liability Rules: The Cathedral in Another Light*, 70(2) N.Y.U. L. REV. 440 (1995).

<sup>23</sup> Ian Ayres and Eric Talley, *Solomonic Bargaining: Dividing a Legal Entitlement to Facilitate Coasean Trade*, 104 YALE L.J. 1027 (1995).

<sup>24</sup> Louis Kaplow and Steven Shavell, *Property Rules versus Liability Rules: An Economic Analysis*, 109(4) HARV. L. REV. 713, 725-730 (1996).

also of vital interest here. For instance, Schroeder argues that the classification confuses the definition of rights with the means of their enforcement.<sup>25</sup> Indeed, the paradigm does seem to focus less on the identity of the holder of the entitlement or the object of the entitlement for the holder, and fixates instead on the remedies available to prevent transfer and continue possession. One may well argue that the normative criterion of Pareto optimality is the reason for this fixation: the default understanding is that things have to be transferred to the person valuing it most for society to be better off. The pro-transfer bias appears strong enough that “damages for prior harms” are conflated with “a purchase price for involuntary sales”.<sup>26</sup> But interference with a legal right is not a *taking* or *transfer* of the legal right which may well be meant to legally vest in the original right holder.<sup>27</sup> The argument further runs that the limited and collectively-determined “price” of a liability rule does not imply that a tortfeasor has something like a “call option” on the entitlement of a tort victim. In this view, legal rules are not followed just because of the fear of punishment but because of a belief in the rule of law. There is something pernicious about suggesting that tortfeasors can “buy” the rights of tort victims just because they are only required to pay damages. Nance instead suggests that rules operate not just at the time of enforcement but at all intermediate stages where individuals look to the rules for “guidance” regarding appropriate conduct.<sup>28</sup>

A final issue with the property-liability-inalienability triad is important: this is the question of inalienability, the third and least discussed category. Schroeder argues that this category seems to fit badly with property and liability because of the bias of economic analysis towards monetisation and alienation.<sup>29</sup> But she argues that this ill fit is only because of the incorrect premise of the Calabresi-Melamed classification: the legal concepts are meant not only to clarify remedies at the time of potential transfer, but they serve to define and limit the rights as a whole.<sup>30</sup> In this conception, property and liability coexist instead of being alternates and together, they define entitlements implicitly while inalienability defines them explicitly.<sup>31</sup>

On a similar yet different note, Radin points out that Calabresi and Melamed impoverish discourse on inalienability by collapsing the different forms of inalienability related to transfer

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<sup>25</sup> Jeanne L. Schroeder, *Three's a Crowd: A Feminist Critique of Calabresi and Melamed's One View of the Cathedral*, 84(2) CORNELL L. REV. 394 (1999).

<sup>26</sup> Jules L. Coleman & Jody Kraus, *Rethinking the Theory of Legal Rights*, 95(7) YALE L.J. 1335, 1356-64 (1986).

<sup>27</sup> Schroeder, *supra* note 25, at 429.

<sup>28</sup> Dale A. Nance, *Guidance Rules and Enforcement Rules: A Better View of the Cathedral*, 83(5) VA. L. REV. 837, 842-60 (1997).

<sup>29</sup> Schroeder, *supra* note .25, 417-20.

<sup>30</sup> Schroeder, *supra* n.25, at 436, referring to the arguments of Ayres and Talley, *supra* note 23.

<sup>31</sup> Schroeder, *supra* note.25, at 428-29.

and loss of control into a form of non-saleability (which she calls “market-inalienability”) related only to transfer through sale.<sup>32</sup> She argues persuasively that while market rhetoric can appear to come to the same conclusions that she does on the question of inalienability, there are problems with engaging in universal commodification of all things and justifying inalienability only in terms of the economic efficiency it promotes (problems, for example, with the economic argument that rape is problematic only because it is difficult to measure its cost for the victim). Thus, she argues that while universal commodification may only seem like a matter of rhetoric, it is pernicious because: (1) it would promote risky decision-making or the serious risk of error in judgment on the part of imperfect practitioners, (2) it would cause serious injury to “personhood”, for example by treating interests bodily integrity as fungible, and (3) it would change the texture of human interactions and values.<sup>33</sup>

Both the initial description of the Calabresi-Melamed classification as well as the discussion on its shortcomings will prove useful in our analysis of personal data and its appropriate characterisation. We must first consider, however, the proposal on propertisation.

### III. THE IDEA OF PROPERTISED PERSONAL DATA

#### A. The Market for Privacy

The idea of treating personal data as property emerges directly from the human interests that informational privacy seeks to satisfy. The desire for “control” over information is a popular conception of informational privacy rights. “Privacy is the claim of individuals, groups, or institutions to determine for themselves when, how, and to what extent information about them is communicated to others.”<sup>34</sup> As discussed earlier, these conceptions of control appear facially identical to the rhetorical notion of property as a right where the owner has an absolute legal entitlement to take decisions regarding the use and disposal of the owned thing. Unsurprisingly, the turn of the millennium saw a host of proposals that personal data should be treated as property.

More modest proposals couched themselves in terms of contractual “default rules” or rules that automatically apply in contractual transactions unless specifically negotiated around at the time of setting the terms.<sup>35</sup> In an early contribution on this point, Richard Murphy rebutted the then-prevalent economic critique to find that “the skepticism in the economic literature is overstated”

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<sup>32</sup> Margaret Jane Radin, *Market-Inalienability*, 100(8) HARV. L. REV. 1849, 1864 (1987).

<sup>33</sup> *Id.*, at 1877-87.

<sup>34</sup> WESTIN, *supra* note 7, at 7.

<sup>35</sup> Daniel J. Solove, *Privacy and Power: Computer Databases and Metaphors for Information Privacy*, 53 STAN. L. REV. 1393, 1447 (2001).

and that while the economic vision that better access to information promotes market transactions remained true,<sup>36</sup> there were important efficiency-based reasons to protect privacy as property through default contractual rules rather than setting up default rules in favour of disclosure.<sup>37</sup> Another example of such default rules was forwarded by Pamela Samuelson, in the form of an analogy with the default rules surrounding trade secrecy:<sup>38</sup>

“Trade secrecy law facilitates transactions in information while at the same time providing default rules to govern uses and disclosures of protected information and setting minimum standards of acceptable commercial practice. Information privacy rights, like trade secrecy rights, can be based on contractual agreements, on conduct between the parties from which it is reasonable to infer that information was disclosed in confidence and use and disclosure beyond those purposes is wrongful, on the use of improper means to get the information.”

Significantly, the proposal hinges on the ability to licence out personal information to specific persons for specific uses and to prohibit uses that are not so permitted (i.e. “limited purposes”). This, as we shall see later, is a form of regulation linked more with use than with transfer rights and is the structure of more modern forms of data protection. Equally significant though is her view that trade secrecy could not be freely treated as a question of “property” given certain characteristics that relate it to “confidential understandings” and “unfair competition law”.<sup>39</sup> The problem with resorting to default rules in contract law is, of course, that the rules only bind the parties to the contract and are not applicable, as is the case with property law, to the world at large (this is the problem of “privity”).<sup>40</sup>

Vera Bergelson engages with the appropriate choice of systems more explicitly, finding that between the existing regimes of tort and property law, torts focused too much on secrecy, allowed only for negative rights preventing encroachment rather than affirmative rights allowing for control, and relied too much on case-by-case enforcement rather than the general applicability of property rights to affirmative control over all forms of information, regardless of secrecy. Her analysis also touches briefly upon the merits of a property regime based on the Calabresi-Melamed formulation. However, it relies on the idea that property systems are less

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<sup>36</sup> See, for instance, Jerry Kang, *Information Privacy in Cyberspace Transactions* 50 STAN. L. REV. 1193, 1218 (1998), (citing George J. Stigler, *An Introduction to Privacy in Economics and Politics*, 9 J. OF LEGAL STUD. 623, 628-33 (1980)).

<sup>37</sup> Richard S. Murphy, *Property Rights in Personal Information: An Economic Defense of Privacy*, 84 GEO. L.J. 2381, 2383-84 (1996).

<sup>38</sup> Pamela Samuelson, *Privacy as Intellectual Property?* 52(5) STAN. L. REV. 1125, 1152 (2000).

<sup>39</sup> *Id.*, at 1153-55.

<sup>40</sup> LESSIG, *supra* note 5, at 230; Solove, *Conceptualizing Privacy*, *supra* note 11, at 1113; Richards, *supra* note 10, at 1165-81.

intrusive and are to be treated as efficient generally with liability rules being the exception. Significant in the choice is her argument that it would be difficult to establish the quantum of harm beyond a very negligible amount, if enforcement of privacy were to be on the basis of tort.<sup>41</sup>

Jerry Kang provides a detailed account of the problem of informational privacy particularly in the context of digital transactions and favours propertisation by forwarding what he refers to as “the market solution”. He accepts that there cannot be any automatic presumption of property rights given that an individual and the collector of her data may have engaged in some “joint production” of the personal data database in the possession of the collector.<sup>42</sup> He also makes an important point in arguing that informational privacy may be a “public good”:<sup>43</sup>

“A public good has the qualities of non-rivalrous consumption and difficulty in excluding non-paying beneficiaries. Information often has these qualities to some extent, and personal data generated in cyberspace are no exception. Indeed, the digitalised environment promotes non-rivalrous consumption—because copies are as good as the original—and makes exclusion harder because information is collected and shared cheaply.”

At the same time, he distinguishes between the results of a difficulty in “exclusion” in cases like intellectual property and the situation with informational privacy. Ordinarily, a public good can result in a “free-rider” problem where individuals enjoy the property without paying for it if it is difficult to exclude access. The resultant underproduction may form the economic rationale for intellectual property, but it does not have the same result with privacy:<sup>44</sup>

“First, increased production of copyrightable materials may be an unmitigated good, but increased production of personal information is decidedly mixed. In particular, it threatens individual privacy. Second, the likelihood of underproduction is uncertain. Personal information is jointly produced by an individual and the information collector interacting in cyberspace. The individual does not spend any resources for the express purpose of generating personal data; instead, the data are generated as an unavoidable by-product of cyberspace activity.”

Exclusion can nonetheless be made possible by data security and contractual norms. These

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<sup>41</sup> Vera Bergelson, *It's Personal but Is It Mine? Toward Property Rights in Personal Information* 37 UC DAVIS L. REV. 379, 414-419 (2003)

<sup>42</sup> Kang, *supra* note 36, at 1246.

<sup>43</sup> *Id.*, at footnote 237.

<sup>44</sup> *Id.*

differences with intellectual property inspire Lessig to argue that property protection should be strict when it comes to privacy.<sup>45</sup>

“Intellectual property, once created, is non-diminishable. The more people who use it, the more society benefits. The bias in intellectual property is thus, properly, towards sharing and freedom. Privacy, on the other hand, is diminishable. The more people who are given license to tread on a person’s privacy, the less that privacy exists. In this way, privacy is more like real property than it is like intellectual property. No single person’s trespass may destroy it, but each incremental trespass diminishes its value by some amount.”

Both Kang and Lessig concede at various points, that there are imperfections to a market in personal data. For Kang, privacy is subject to a number of non-market perceptions that make it a human value or a “civil or human right” that we may not “comfortably peddle away in the marketplace.”<sup>46</sup> However, he hesitates to turn to inalienability as the appropriate approach as this would risk “surrendering control over information privacy to the state.”<sup>47</sup> Like Kang, Lessig is interested in the propertisation of personal information because of the control it vests and because of the subjective valuation that it promotes, one that Lessig says is implicit in the divergence in concern towards privacy that individuals have.<sup>48</sup> Lessig also agrees that there are high transaction costs when it comes to digital transactions related to privacy: individuals do not display the ability to evaluate the risks they undertake to bear by agreeing to privacy policies and notices. While such high transaction costs may suggest a move from property rules to liability rules, Lessig differs: in keeping with his general assertion that “code” and technological infrastructure can serve the purposes of legal architecture, he argues with McGeeveran in favour of technological interventions like Programmed Privacy Promises (P3P), protocol that can serve to lower transaction costs by intermediating between the individual and the service provider, communicating privacy concerns effectively, and treating the acceptance of the resultant tailored offer as a contract.<sup>49</sup>

## **B. Problems with Personal Data Propertisation**

Critics have been equally strident regarding the problems with propertisation of personal data. A

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<sup>45</sup> LESSIG, *supra* note 5, at 231.

<sup>46</sup> Kang, *supra* note 36, at 1266.

<sup>47</sup> *Id* at 1266-68.

<sup>48</sup> LESSIG, *supra* note 5, at 231.

<sup>49</sup> *Id* at 228-231; William McGeeveran, *Programmed Privacy Promises: P3P and Web Privacy Law*, 76(6) N.Y.U L. REV. 1813, 1843 (2001).

key problem is the concern that unlike intellectual property, which creates property rights in fixed and tangible expressions of ideas, an extension to personal data would create a property right in facts: “The complexity of personal information is that it is both an expression of the self as well as a set of facts, a historical record of one's behaviour.”<sup>50</sup> An important consequence of property rights in personal data is that it ignores very significant questions on the utility of facts about an individual in engaging with the person at all. In a society of existing and growing interaction, solitude and control over access are certainly important, but one cannot be expected to interact with individuals if we are to know absolutely nothing about them unless they choose to let us know. This concern attains significance when it comes to the free speech implications of, say, a whistle-blower being restricted from declaring personal information for an important public purpose. But it can be important to varying degrees for *any* kind of interaction.

Neil M. Richards argues that there are important ways in which many privacy restrictions are not speech restrictions and that even where privacy restricts disclosure, the infringement may not be of “protected speech” and would in any case be subject to rational basis review that may easily be met by privacy proponents.<sup>51</sup> This would be a nuanced way of balancing privacy and free speech and would involve distinguishing between types of speech. Property rights in personal information, on the other hand, are more invasive of free speech. Diane Zimmerman notes, for example, that treating information as property tends to neutralise First Amendment arguments in the United States (as with intellectual property rights).<sup>52</sup> In the Indian context, rather than defend informational privacy against free speech criticisms through a property dynamic, it would be important to note that the right to privacy generally has been recognised as running across concepts like inviolate personality, liberty and even free speech, without any reliance on the concept of property.<sup>53</sup> As the property rubric does not form the basis of privacy, restrictions with free speech should be justified in a different manner than is done with intellectual property.

A further problem with assigning ownership to personal data, as discussed previously, emerges as a result of joint creation of the personal data itself or in the compilation of datasets that derives value from each piece of data included in it.<sup>54</sup> Similar issues emerge when we consider that the degree of control that we may seek to grant in relation with personal information can

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<sup>50</sup> Solove, *Conceptualizing Privacy*, *supra* note 11, at 1113.

<sup>51</sup> Richards, *supra* note 10, at 1165-81.

<sup>52</sup> Diane Leenheer Zimmerman, *Information As Speech, Information As Goods: Some Thoughts on Marketplaces and the Bill of Rights*, 33(3) WM & MARY L. REV. 665, 665-72 (1992).

<sup>53</sup> Justice K.S. Puttaswamy (Retd.) v. Union of India, (2017) 10 SCC 1.

<sup>54</sup> Solove, *Conceptualizing Privacy*, *supra* note 11, at 1113.

vary wildly when it comes to type of information in question. For instance, a person may want to retain strict control over her health records or information regarding sexual orientation but may be perfectly at ease disclosing her professional credentials or educational status. The fact that we accord different degrees of privacy to different aspects of our lives certainly militates against any broad grant of property status to all personal information.<sup>55</sup> However, even in relation with data that is considered sensitive, propertisation appears to be counterproductive. Barbara J. Evans argues convincingly that in the case of health data rules in the United States, the existing framework is very similar to what patients would enjoy if they were explicitly protected by a property rule, and yet the grounds available to make non-consensual use of such data are so similar in varying regimes that it would suggest that property is not the right mode at all.<sup>56</sup> She instead suggests that the rules tend to take on features of “liability rules”:<sup>57</sup>

“Pliability, or pliable, rules are contingent rules that provide an entitlement owner with property rule or liability rule protection as long as some specified condition obtains; however, once the relevant condition changes, a different rule protects the entitlement — either liability or property, as the circumstances dictate. Pliability rules, in other words, are dynamic rules, while property and liability rules are static.”

“Pliability rules” depart from the strict categories of “property” and “liability”, allowing for things to be subject to different rules when certain conditions are met. For example, a property right like a patent, ordinarily transferable only on consent, may be transformed into a liability rule involving legally determined fees when the conditions for compulsory licensing are met. What this means for Evans is that a default rule of consent-based data access rules can shift to non-consensual access under specified circumstances. This in itself is a very significant insight regarding the nature of informational privacy rules, but she further buttresses these findings with the prescription that such rules should draw upon a long tradition of “successful American infrastructure regulation”, because the question of ownership is simply a misguided one. Evans is referring here to the manner in which aggregated personal data datasets can serve as a kind of public infrastructure for the conduct of various useful activities that are made impossible without the creation of these datasets. She argues that “[a] major challenge in twenty-first century privacy law and research ethics will be to come to terms with the inherently collective nature of knowledge generation in a world where large-scale informational research is set to play a more

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<sup>55</sup> *Id.*, at 1114.

<sup>56</sup> Barbara J. Evans, *Much Ado About Data Ownership* 25(1) HARV. J. L. AND TECH. 69, 77-86 (2011).

<sup>57</sup> Abraham Bell & Gideon Parchomovsky, *Pliability Rules*, 101(1) MICH. L. REV. 1, 5 (2002).

prominent role.”<sup>58</sup> Medical research datasets are thus of interest to the public at large. These arguments are linked with what we have already seen: that individual control over personal data can be an ill-fitting paradigm when we are confronted with the importance of some datasets and the bias and reduction in statistical accuracy of the dataset when a person refuses to participate:<sup>59</sup>

“Many important types of informational research must be done collectively with large, inclusive datasets. An individual’s wish not to participate, perhaps motivated by privacy concerns, potentially places other human beings at risk and undermines broader public interests—for example, in public health or medical discovery—in which the individual shares. Existing regulations lack tools to resolve this complex dilemma.”

Accordingly, she argues that “[t]he right question is not who owns health data but instead, the debate should be about *appropriate public uses* of private data and how best to facilitate these uses while adequately protecting individuals’ interests.”<sup>60</sup> Once again, we see that the specification of the particular “public use” or purpose is an important step to striking a balance between public and private interest.

### C. Indeterminacy, Information Asymmetry, and Inalienability

In addition to this array of reasons to avoid propertisation as well as ignore the question altogether, four additional reasons may be supplied:

*First*, it is worth considering the difficulties created by the indeterminacy of the status of personal data as personal. Copyright zeroes in on tangible and fixed expressions and the existence of the copyrightable material in some form lends itself to propertisation. On the other hand, the law has at best a loose hold on the fixedness of “personal data”. For data to be personal data, the person to whom it relates must be “identifiable”. For one matter, attempts at de-identification or anonymisation (the removal of personal characteristics from personal data so as to mask it or make it non-personal) can be met with a bewildering range of tools by which re-identification is made possible, reverting the status of the data back to personal data.<sup>61</sup> What is more, the best attempts at ascertaining the incidence of personal data nonetheless stress on the importance of the possibility of identification by aggregation and the consequent significance of the identity of

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<sup>58</sup> Evans, *supra* note 56, at 76.

<sup>59</sup> *Id.*

<sup>60</sup> *Id.*, at 77.

<sup>61</sup> Jules Polonetsky et al, *Shades of Gray: Seeing the Full Spectrum of Data De-identification*, 56(3) SANTA CLARA L. REV. 593, 594 (2016), see also Paul M. Shwartz and Daniel Solove, *The PII Problem: Privacy and a New Concept of Personally Identifiable Information*, 86 N.Y.U. L.Q. REV. 1814 (2011).

the entity processing the data. Thus, the recitals to the EU's General Data Protection Regulation ("EU GDPR") state:<sup>62</sup>

"To determine whether a natural person is identifiable, account should be taken of all the means reasonably likely to be used, such as singling out, either by the controller or by another person to identify the natural person directly or indirectly. To ascertain whether means are reasonably likely to be used to identify the natural person, account should be taken of all objective factors, such as the costs of and the amount of time required for identification, taking into consideration the available technology at the time of the processing and technological developments."

Thus, to determine whether some data is personal data, legal inquiry must enter into the question of how that data can be combined with other data to identify a person and in assessing this criterion, would look into "the means reasonably likely to be used" by the relevant person. Given the set of "objective factors" listed, it should also appear that what is personal data in the hands of some entity or person may not be personal data in the hands of another, simply because the latter does not have the means to effectuate the identification. This indeterminacy regarding the easily modifiable status of personal data and the dependence on circumstances means that,<sup>63</sup> while "property" rules are possible to imagine, they make for an ill fit given that the dynamic nature of their incidence can give rise to harms without knowledge and by accident.

*Second*, arguments in favour of propertisation tend to underestimate the deeply rooted information asymmetry underlying the failure in the personal data market.<sup>64</sup> To put it briefly, the two transacting parties each hold some relevant sets of information that is appropriate to the optimal transaction and allocation of rights. The identified individual, for example, has the best access to information regarding which of their aspects they would like to keep private or restrict access to and under what circumstances. This self-knowledge regarding their privacy preferences can be considerably detailed and contextual, and their willingness to represent this information in the form of broad prohibitions or permissions can, in many circumstances, simply be inaccurate classifications. For example, a general permission to use location data may fail to account for various specific situations in which that location data can come to be combined with the location data of other persons one has met or visits of a sensitive nature to particular places. A general

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<sup>62</sup> Recital 26, European Union General Data Protection Regulation, Regulation (EU) 2016/679.

<sup>63</sup> Data Protection Working Party, *Opinion 4/2007 on the Concept of Personal Data*, European Commission, June 20, 2007, art. 29.

<sup>64</sup> See George A. Akerlof, *The Market for "Lemons": Quality Uncertainty and the Market Mechanism*, 84(3) THE Q. J. OF ECON. 488, (1970).

prohibition, on the other hand, can be too restrictive of providing access to other parties. These entities that gain access to personal data themselves have information important to the transaction: specific information regarding particular purposes of processing the data, particular parties to whom it may be transferred, particular pieces of other data with which this data may come to be combined etc. All of this is relevant to determine how the privacy of an identified individual may be affected.

The law may require disclosures, as it usually does for information asymmetries, but this runs into considerable problems: the individual would not want to disclose the specific facts about them that they deem private and is likely to cloak permissions in broad categories, while the entity processing the data may make detailed disclosures but this may be very difficult if not impossible for the individual to go through given the number of digital or information-based interactions they are undertaking and the complexity of each. This is linked to the transaction-intensive nature of informational privacy regulation<sup>65</sup> and is only likely to increase with the complexity of processing activities in the age of Big Data and algorithmic processing. In Julie Cohen's astute analysis of the risk and information-oriented regulatory responses to the growing recognition of systemic threats, she finds:<sup>66</sup>

“As societal understandings of harm have evolved to encompass more long-term and systemic effects of development, regulatory methodologies have evolved as well. The contemporary toolkit includes constructs oriented toward measuring, demonstrating, and responding to harms that are nascent and systemic, and those constructs are themselves predominantly informational. As threatened future harms have become more abstract, diffuse, and technologically complex, disputes about appropriate regulatory response have become struggles for control over the modelling and representation of systemic threats and over the burden of proof required to justify regulatory actions.”

The probabilistic and diffused nature of certain kinds of privacy harms is an important aspect of study relevant to data protection, with one scholar distinguishing “subjective” and “objective” privacy harms and even analogising them with assault and battery respectively (the former is an apprehension or threat of the latter).<sup>67</sup> These informational considerations mean that individuals have considerably reduced abilities to safeguard themselves against harm through privacy self-

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<sup>65</sup> Suyash Rai, *Response on the White Paper of the Committee of Experts on a Data Protection Framework for India*, 3-5, [http://macrofinance.nipfp.org.in/PDF/data\\_protection\\_comments\\_suyash.pdf](http://macrofinance.nipfp.org.in/PDF/data_protection_comments_suyash.pdf).

<sup>66</sup> Julie E. Cohen, *The Regulatory State in the Information Age*, 17(2) THEORETICAL INQUIRIES L. 369, 389 (2016).

<sup>67</sup> M. Ryan Calo, *The Boundaries of Privacy Harm*, 86(3) IND. L. J. 1131, (2011).

management. This situation is considerably aggravated by the opposite of information asymmetry, in the form of transaction costs created by an abundance of information. This is caused by what is variously called “infoglut”<sup>68</sup> or informational overload and the consequent occurrence of “consent fatigue” due to which individuals find themselves with a surplus of material making it difficult for them to identify points of information relevant to their choices.<sup>69</sup> Some of these informational constraints may be possible to intermediate away through technology but one may be pessimistic that the essential asymmetry created by privacy preferences can be eliminated. In any case, one may consider the possibility of propertisation to the extent of the removal of transaction costs but make room for other legal systems to supplement it.

*Third*, a crucial distinction exists between personal data and other things that have been considered under the property rubric. This difference lies in the conceptual core of “personal data”: the idea that the person to whom the data relates should be identifiable. This criterion is essential to attain the protection of the law, and this is not accident. Data protection provides remedies to the identified or identifiable individual precisely because the person is identified or identifiable. If they were not, the kinds of harms to liberty, personhood and intimacy that informational privacy is aimed at protecting against would not be at play and protection would not be necessary. Here, the market logic comes under incredible strain: when referring to the “transferability” of personal data as property, we have had under consideration not just the initial transfers of personal data from the individual to one entity, but onward transfers to further entities and disclosures of varying degrees of publicity. While one can still conceive of some forms of consensual transfers in the instance of primary markets, when onward transfers in secondary markets become even slightly numerous, it is highly unlikely that the individual can have meaningful information and foreseeability regarding the outcomes.<sup>70</sup> In the economic view, transactions in the secondary market for personal data can be either considered to suffer from information asymmetry because of the difficulty of maintaining oversight, or perhaps it can be treated as a negative externality in which the identified individual has somehow become a third party suffering due to the market transactions of the primary parties, the buyers and sellers of her personal data. This begs the question: how is there to be any meaningful market regulation

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<sup>68</sup> MARK ANDREJEVIC, *INFOGLUT: HOW TOO MUCH INFORMATION IS CHANGING THE WAY WE THINK AND KNOW* (Routledge, 2013).

<sup>69</sup> Daniel Solove, *Privacy Self-management and the Consent Dilemma*, 126 HARV. L. REV. 1880, (2013); B. W. Schermer et al, *The crisis of consent: how stronger legal protection may lead to weaker consent in data protection*, 16(2) ETHICS AND INFO. TECH., 171-182 (2014).

<sup>70</sup> Patricia Mell, *Seeking Shade in a Land of Perpetual Sunlight: Privacy As Property in the Electronic Wilderness*, 11(1) BERKELEY TECH. L. J. 1, 5-6 (1996).

without considering the individual to have an inalienable right in her personal data? This leads us to the final point.

*Fourth*, inalienability is an irreducible component of informational privacy and the grant of an inalienable right in a thing is incompatible with most conceptions of property rights. Following considerations in the EU of the problem of the exchange of digital services and content for personal data, the practice came to be permitted but the idea that personal data was somehow to be considered “counter-performance” or a “commodity” was explicitly rejected.<sup>71</sup>

“Digital content or digital services are often supplied also where the consumer does not pay a price but provides personal data to the trader. Such business models are used in different forms in a considerable part of the market. While fully recognising that the protection of personal data is a fundamental right and that therefore personal data cannot be considered as a commodity, this Directive should ensure that consumers are, in the context of such business models, entitled to contractual remedies. Union law on the protection of personal data provides for an exhaustive list of legal grounds for the lawful processing of personal data.”

Notions of informational privacy embedded into modern data privacy laws thus tend to view the right in light of its recognition as a fundamental right, as it has been in India. In advising that India follow the EU route for a strong, comprehensive legislation instead of the US sectoral/self-regulatory route to data protection regulation, Graham Greenleaf points out the significance of privacy being a fundamental right.<sup>72</sup>

“The position in India is in general principle the same as the EU: privacy is a fundamental inalienable right, with the ability of governments to derogate from it requiring considerable justification [Data protection in India] will have to meet standards approximating those of EU laws if it is to constitute the background environment within which particular legislative interferences with privacy can be justified.”

This does, of course, depend on the extent to which one sees fundamental rights like privacy being applicable in the context of the activities of private entities, either directly or in the form of a duty of the state to intervene and protect individuals from such entities.<sup>73</sup> This concern with

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<sup>71</sup> Recital 24, Directive (EU) 2019/770 of the European Parliament and of the Council of 20 May 2019 on certain aspects concerning contracts for the supply of digital content and digital services.

<sup>72</sup> Graham Greenleaf, *Data Protection: A Necessary Part of India's Fundamental Inalienable Right of Privacy – Submission on the White Paper of the Committee of Experts on a Data Protection Framework for India*, 4 UNSW L. RES. Paper No. 18-6 (2018).

<sup>73</sup> See Stephen Gardbaum, *The “Horizontal Effect” of Constitutional Rights*, 102(3) MICH. L. REV. 387, (2003) (For

inalienability has, however, an important corollary for the purposes of the present inquiry. It is fundamentally incompatible with property. Solove recognises the importance of maintaining inalienable rights in personal data, but for some reason suggests: “Inalienability rules do not necessarily have to limit a person’s ability to disclose or sell certain information; nor must they limit many forms of information collection.”<sup>74</sup> On the other hand, Jessica Litman is clear regarding the essential features of a property regime:<sup>75</sup>

“The *raison d’être* of property is alienability; the purpose of property laws is to prescribe the conditions for transfer. Property law gives owners control over an item and the ability to sell or license it. We deem something property in order to facilitate its transfer. If we don’t intend the item to be transferred, then we needn’t treat it as property at all. If we do intend to encourage its sale, a property model does the job admirably. Thus, we have resorted to the property model for intangible interests when we want to make it easy to sell them. Intellectual property is the paradigmatic example. The concept of alienable ownership rights in personal data is disturbing, because the opportunities to alienate are ubiquitous.”

These arguments should be persuasive that there are a number of problems with the complete propertisation of personal data. As described at length above, these problems are not just descriptive issues regarding what can be called “property” at all, but also normative issues hinging on the impact of propertisation on both economic efficiency as well as other values related to personhood. The reader would now be concerned to know that if data protection rules are not to be considered property rules, then what are they to be considered at all? Are they only liability rules? Does the regime have all the features of inalienability? A limited attempt to answer this question shall be made below.

#### IV. DATA PROTECTION AS A HYBRID SYSTEM

Presently, the European model for data protection constitutes a global model for modern data protection law, with a number of other jurisdictions emulating or altogether mirroring its framework.<sup>76</sup> India’s own steps in the form of the Srikrishna Draft Bill and the 2019 Bill also

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studies to the “horizontal” applicability of fundamental rights); Mark Tushnet, *The issue of state action/horizontal effect in comparative constitutional law*, 1(1) INT’L J. CONST. L., 79-98 (2003); STEPHEN GARDBAUM, *Horizontal Effect*, in THE OXFORD HANDBOOK OF THE INDIAN CONSTITUTION (Oxford U. Press, 2016), at Chapter 33; Also See, *Society for Un-aided Private Schools of Rajasthan v. Union of India* (2012) 6 SCC 1, Para 126, 159 and 222.

<sup>74</sup> Solove, *Privacy and Power*, *supra* note 35, at 1455.

<sup>75</sup> Jessica Litman, *Information Privacy/Information Property*, 52 STAN. LAW. REV. 1283, 1295-96, 1299 (2000).

<sup>76</sup> Greenleaf, *supra* note 72, at 3-4, (Greenleaf refers to the adoption of the EU’s 1995 Directive, the precursor to the GDPR: “The White Paper observes ‘that there are two distinct models in the field of data protection’ (an EU model, and a US model), and that the ‘EU model appears to be the preferred mode in several countries who have

follow in the trail European experience. And this has been a considerable experience, given that about two and a half decades of enforcement history has passed since the EU's 1995 Directive on the subject was brought into force. It is this model of data protection law that the present inquiry is aimed at better understanding.

As the perceptive reader would have no doubt noted, most of the foregoing analysis has been informed by American scholarship. This literature has been surveyed and systematised above for a good reason: the analytical power of some of the tools in the interdisciplinary toolbox of this scholarship is equally effective even in making sense of the European system. Indeed, the more complex the statutory regime devised by Europe, the more useful the American toolkit can be. The interdisciplinary nature of much of the discourse, particularly the insights of economic analysis, makes particularly deep inroads especially when dealing with questions of law and policy. And this is precisely the juncture we are at: the law is ill equipped to autonomously come up with reasons for the choice between property, liability and inalienability rules. Constitutional adjudication with broad terms may reach conclusions regarding the status of an interest as a fundamental right, but it would be overambitious to consider that existing case law would somehow employ metaphoric reasoning to grasp particularly slippery concepts without the aid of existing legal rules.<sup>77</sup> One may consider how intellectual property first came to be classified as a kind of property. Faced with a similar situation, we must consider the existing legal categories but apply to them our understanding from other fields like economics and philosophy.

### **A. The Categorisation of Rules in Data Protection Law**

A key structural feature of data protection law, and the feature of most interest to us, is a principle called "lawfulness".<sup>78</sup> This may appear a bit redundant given that all legal rules are aimed at determining lawfulness, but the GDPR uses this terminology in a particular way. The lawfulness of processing is determined by a set of what is called "grounds" or "legal bases" that

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adopted data protection legislations recently'. This is a considerable understatement and a misunderstanding. Over 120 countries have now enacted data privacy laws that meet or exceed the '1st generation' standard of the 1980s OECD Guidelines and Council of Europe Convention 108. Of the 67 of these 120 countries outside Europe their average implementation of the ten '2nd Generation' 'European' principles (i.e. those in the EU Directive of 1995 that go beyond the OECD Guidelines), is at least 6/10 principles. That also applies to those countries outside Europe with the highest GDP, with a privacy law. The reality, therefore, is that the current global standard of data privacy laws even outside Europe, is closer to the EU Directive than the OECD Guidelines. The US, with no general data privacy laws, is completely out of step with the rest of the world. There is one global standard – and then there is the US, increasingly isolated.”)

<sup>77</sup> See Chris Rideout, *Penumbra Thinking Revisited: Metaphor in Legal Argumentation*, 7 LEGAL COMMUNICATION & RHETORIC: JALWD 155 (2010); Steven L. Winter, *Transcendental Nonsense, Metaphoric Reasoning, and the Cognitive Stakes for Law*, 137 UNIV. OF PA. L. REV. 1105, (1989).

<sup>78</sup> Article 5, Regulation (EU) 2016/679 of The European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (hereinafter, EU-General Data Protection Regulation).

an entity processing the personal data can rely on. These grounds are listed out in the GDPR in Article 6 and in India's 2019 Bill at Clause 11 and Chapter III. In both these instruments, the legality of processing is determined by providing processing entities with a multiplicity of options and, at the enforcement stage, by assessing whether the conditions in any of those options have been satisfied so as to justify the legality of the processing. The grounds run along the same lines: they include consent, the compliance with some law other than the data protection law, the performance of the function of the state or some public authority, the safeguarding of some vital interest in the event of an emergency, and a residual ground of legitimate or reasonable purposes.

The grounds for determining the lawfulness forms the backbone of these data protection instruments because these rules determine when the processing of personal data by someone other than the identified individual is legal or not. These grounds are of particular interest to us because "processing" includes mere storage or possession of personal data.<sup>79</sup> Possession of personal data is attained, in most contexts, simply by observation and thus the legality of possession presupposes the legality of the transfer of the personal data to the processing entity. One may recall that the Calabresi-Melamed model suggests that we treat a rule as a property rule if it permits subjective valuation before allowing any transfer and we treat it as a liability rule if it allows for transfer without explicit permission but imposes a collectively-determined penalty on the transferee in the form of an objective valuation of liability. Personal data seems to transfer with little friction, and it may appear that possession is the subject of analysis, but this does not prevent us from applying the model. What may immediately be noted is that the optionality created by the "grounds" system for determining legality includes within it the ability to consensually transfer and permit use of personal data as well as the permissibility of non-consensual transfer and use. Indeed, to mark the difference, Chapter III of the 2019 Bill is titled "Grounds for processing of personal data without consent".

One could thus say that because the same thing (personal data) is at the same time capable of being transferred non-consensually as well as on the basis of consent, the transfer is at least sometimes on the basis of the subjective valuation of the identified individual and her interest in personal data is at least partially protected by a property rule. Just as with a property right, the individual exercises control over the personal data and has the right to grant or refuse to grant use of the data to others. However, we are then confronted with a further issue: even after permitting the individual to transfer the right of usage of her personal data to other persons, data

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<sup>79</sup> Article 4(2), EU-General Data Protection Regulation, and clause 3(31), 2019 Bill.

protection law does not seem to have extinguished her rights in her data. This is in evidence as a result of a number of rules. The first rule deals with the validity of consent. To allow for a transfer to be treated as consensual at all, data protection law requires that the consent be capable of being withdrawn.<sup>80</sup> The second set of rules are what are called the “data subject rights”, rights that allow the identified individual to continue to exercise some degree of control over the personal data by confirming that it is with an entity, accessing it, correcting and updating it, restricting its disclosure, erasing it, or even requiring that it be transferred to a different entity.<sup>81</sup> A third and even broader set of rules relate to the variety of entitlements that emerge across the provisions in these instruments as correlatives to the duties imposed on the entity processing the data. Broadly, these rights deal with transparency, accountability and security, but specifically they arise as entitlements because the processing entity is under related duties to carry out organisational measures, impact assessments, audits, record keeping, notifications in the event of data breaches and the setting up of grievance redressal units.<sup>82</sup>

This wide swathe of control that the individual continues to exercise in personal data that they have willingly transferred over to someone else creates some conceptual confusion. On the one hand, these statutory rights do not appear to be capable of being waived and are for all intents and purposes, inalienable. The rule requiring that consent be capable of being withdrawn, at least, pertains to the validity of consent itself and waiving that right would almost certainly be contrary to the public policy of data protection law.<sup>83</sup> However, unlike with other inalienable entitlements, the individual has been granted the ability to voluntarily transfer the *right of use* of their personal data on the basis of her subjective valuation as to the worth of the use as well as anything they may be getting in exchange. One does not ordinarily have the right to transfer things in which one has an inalienable entitlement and yet, perhaps due to the ability of data to be duplicated without diminishment, here we have a thing being transferred freely while retaining inalienable statutory interests in it.

Equally baffling is the situation with the non-consensual grounds. As mentioned above, these grounds allow for the use of personal data without consent, for example for compliance with a law, the performance of state functions, safeguarding life and limb in the event of an emergency, and a residual legitimate or reasonable purposes. Here, the individual is given no right to allow or exclude usage of their personal data because their consent is not relevant to processing on these

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<sup>80</sup> Article 7(3) EU-General Data Protection Regulation and clause 11(2)(e), 2019 Bill.

<sup>81</sup> Chapter 3, EU-General Data Protection Regulation, and chapter V, 2019 Bill.

<sup>82</sup> Chapter 4, EU-General Data Protection Regulation, and chapter VI, 2019 Bill.

<sup>83</sup> Murlidhar Aggarwal v. State of Uttar Pradesh, (1974) 2 SCC 472.

grounds. On the other hand, the processing entity gains the ability to process the personal data and does not even have to pay any penalty for doing so. This means that the transfer is not on the basis of a liability rule. Does that make the right of the processing entity to use the personal data a property right? For one matter, grounds may only be invoked for what Kang would call a “functionally necessary” purpose<sup>84</sup> and what Evans would call “appropriate public uses”.<sup>85</sup> It is true that the grounds themselves constrain the potential uses to a limited set of uses that meet their criteria but the imposition of functional necessity equally emerges from the principle of “purpose limitation” which requires that personal data always be “collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes”.<sup>86</sup>

Thus, the scope of a ground and the requirement of purpose limitation both constrain the potential uses of the personal data. Limitations on the use and enjoyment of a thing may appear facially at odds with the idea of plenary control over property, but they are easily reconcilable with certain forms of property such as licenses.<sup>87</sup> What is more problematic in considering these rights to be property rights is the fact that processing entities can’t really alienate their entitlements either. Because the use implied by the non-consensual grounds is dependent on the carrying out of a “necessary” function, the question of alienation does not seem to arise as the situation of necessity cannot be transferred.

Finally, it is worth mentioning that the violation of the rules of functional necessity or any refusal to abide by the inalienable entitlements of the identified individual results in liability for the infringing entity, both in terms of compensation as well as turnover-linked penalties determined on the basis of detailed criteria that include but do not limit themselves to the immediately observable or predictable quantum of harm.<sup>88</sup> The pegging of these penalties to criteria other than harm should alleviate concerns that the assessment costs of finding the appropriate level of liability would be too high. The penalty seems to instead be linked to a form of deterrence related to the gravity of the violation through a multiplicity of linkages.

## **B. Justifying Hybridisation**

The discussion above shows that the rules under modern data protection law, personal data appears to be protected simultaneously by property, liability and inalienability rules. The

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<sup>84</sup> Kang, *supra* note 36, at 1265.

<sup>85</sup> Evans, *supra* note 56.

<sup>86</sup> Article 5(1)(b), EU-General Data Protection Regulation.

<sup>87</sup> Samuelson, *supra* n.38.

<sup>88</sup> Clauses 57-61 and 63(4), 2019 Bill.

discussion that preceded the one immediately above also surveyed a range of reasons in favour of all three rules, but found that the classification of a thing as being protected under one regime often militated against its being considered a subject of the other regime (e.g. property is ordinarily never inalienable). The immediate task then, is to assess whether the seeming indeterminacy of the categorisation answers our initial question: whether we can talk of personal data as the property of the person to whom it relates?

The prime focus of the distinctions so far has been the Calabresi-Melamed classification. This is, however, a good point to note that their classification doesn't so much categorise things as being regulated by different kinds of rules as it categorises rules as being part of different kinds of systems. This should be apparent from the fact that they do acknowledge that entitlements can be "mixed":<sup>89</sup>

"It should be clear that most entitlements to most goods are mixed. Taney's house may be protected by a property rule in situations where Marshall wishes to purchase it, by a liability rule where the government decides to take it by eminent domain, and by a rule of inalienability in situations where Taney is drunk or incompetent."

Perhaps this pithy but previously missed insight should be the end of all our travails? Why have previous inquiries spilled so much ink on the question if we can simply say that entitlements in personal data should be "mixed"? In the context of the rules discussed immediately above, perhaps an individual's personal data is protected by a property rule where the processing entity seeks to invoke the individual's consent, by a liability rule where it seeks to use her data non-consensually and in a functionally unnecessary way, and by a rule of inalienability where it seeks to ignore the individual's withdrawal of consent or request for a right such as that of confirmation or access?

Some alternatives are worth considering, from the previous discussions regarding the appropriate usage of the Calabresi-Melamed classification:

1. *Ayres and Talley's divided entitlements*:<sup>90</sup> One could well argue that the property right has been divided up between the individual and the processing entity and that both parties now have liability rules constraining their behaviour. Neither owns the personal data but both are liable for doing things that may harm the other's recognised interests in it. The processing entity is liable if it attempts to process non-consensually and without the justification of any recognised ground of processing. The individual may have to suffer

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<sup>89</sup> Calabresi and Melamed, *supra* note 17, at 1093.

<sup>90</sup> Ayres and Talley, *supra* note 23.

some consequence for not transferring personal data where a non-consensual ground exists for the processing entity to rely on but where the transfer depends on the individual's action. This may be some penalty for non-disclosure under some other law, but that would involve the application of a distinct rule outside data protection. Should that not be considered part of the rule system determining the status of the entitlement? The liability may be the loss of the personal data itself, but this does not seem like a liability at all as the personal data was already legally required to be transferred and was the entitlement of the processing entity. No additional liability seems to be necessarily imposed on the individual for denying personal data to the entity. Perhaps it would be appropriate to impose such liability.

2. *Schroeder's rejection of the classification*:<sup>91</sup> One could suggest that the property-liability-inalienability classification was flawed to start with and that three concepts were to be used simultaneously to define and limit entitlements without fixating on the conditions of transfer. There certainly seems to be some appeal in Schroeder's argument that the Calabresi-Melamed classification focuses more on the conditions of transfer and possession and not so much on the quality of use or enjoyment. This would, for instance, explain how the model does not seem to provide a clear answer for a regime where the primary harm that is to be regulated is created by the unspecified use of personal data for purposes that are beyond the knowledge of the identified individual. Her own ability to enjoy informational privacy as opposed to her ability to transfer or possess her personal data becomes the focus here.
3. *Litman and unadulterated inalienability*:<sup>92</sup> A focus on the traditional boundaries of the concepts as opposed to the rehashed boundaries employed by Calabresi and Melamed may lead us to argue that a thing is indeed only capable of being property if it is fully alienable and that if it is inalienable we should not refer to it as property at all. The reliance on this conception may ignore Calabresi and Melamed's interest in classifying types of rules rather than types of things but it would certainly help us answer questions on how we can translate our findings for an existing legal audience without disturbing their sensibilities.
4. *Bell and Parchomovsky's pliability rules*:<sup>93</sup> We may lastly treat the boundaries between the categories to be porous (what Bell and Parchomovsky call "dynamic" pliability rules) or

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<sup>91</sup> Schroeder, *supra* note 25.

<sup>92</sup> Litman, *supra* note 75.

<sup>93</sup> Bell and Parchomovsky, *supra* note 57.

consider them to be overlapping (“simultaneous” pliability rules). A number of examples of such rules have been identified in the form of share ownership in mergers and acquisitions, essential facilities and antitrust damages, nuisance, copyrights, patents, the fair use doctrine, adverse possession and eminent domain. In essence, the categorisations retain their meaning but their application to things is facilitated by pointing out that the protection of a thing by one type rule can change to protection by a different rule on the basis of a trigger, whether that trigger is the passage of time or the occurrence of a particular event.

At this point, it is worth remembering the concerns that initially animated this inquiry. These concerns stemmed from the idea that referring to the right in a particular thing as a right to property could have considerable knock-on effects on how it is treated in relation with a variety of questions. A sobering realisation by the end of the analysis is that the occurrence of such knock-on effects is the result of broad categorisations of things in legal analysis as opposed to a more specific and nuanced analysis that categorises types of rules and appreciates the possibility of their co-existence. The scourge of broad categorisation and metaphoric reasoning seems so prevalent that it seems not just the playground of unstudied laypeople but also equally the preserve of legalists with fixed notions of categories. It is worth recognising that this is an inherent problem with legalistic approaches, given that legal terms and concepts are often “devoid of all semantic reference”. One may imagine that the term “ownership” has some inherent meaning of its own, but it only serves to present a number of disparate relationships under one label (e.g. one can say without referring to the concept of “ownership”, that “if you purchase something you have the right to recover it from someone who takes it”).<sup>94</sup> This is essentially so for catch-all legal terms like “property” that serves to denote “bundles” of rights, but may also denote some specific rights.

Calabresi and Melamed’s allowance for “mixed” entitlements may well refer to the different rules governing “Taney’s house” by different names, but this may not prevent legalists from finding that Taney’s relation with the house is essentially one of “property” for the purposes of more traditional legal determinations. What is true for terms like “property” can equally be true for terms like “inalienability”, tyrannically occupying the entire legal imagination on all questions of legal relations with personal data. For no reason other than to push our legal language forwards into more advanced and nuanced forms of reasoning and communication, it is appropriate that the entitlement of an individual in her personal data be referred to not as property, liability, or

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<sup>94</sup> Alf Ross, *Tá-Tá*, 70(5) HARV. L. REV. 812-825 (1957).

inalienability but as a hybrid of the three: it is a data protection right, a *sui generis* form of flexible, dynamic protection that clearly fits the description of Bell and Parchomovsky's pliability rules but with the addition of the essential elements of inalienability.

## V. CONCLUSION: RHETORIC REDUX

This article began on a note of frustration. This frustration originated in the use of legal terms like "property" loosely in the context of data protection with little regard to the potential damage this could do in the long run to the actual development of the law itself.

To assist in justifying the rejection of such propertisation, the second section analysed the seminal three-way distinction of Calabresi and Melamed between property, liability and inalienability as well as the justifications for choosing one form of legal entitlement over the other. The criterion of transaction costs was identified as a crucial consideration in the choice between the three: property rights may be foregone for liability rights if market valuations were costlier to arrive at as compared to objective, collective valuations. At the same time, variations on this premise were examined, including assertions regarding over-emphasis on the magnitude of transactions costs and under-emphasis on the utility liability rules. The section also considered criticism of the classification regarding the bias of the market paradigm in favour of transfer as well as the pernicious effects of commodification.

The third section then provided an account of the idea of propertised personal data by considering ideas related to contractual default rules, trade secrecy-like licenses, difficulties in assessing privacy harms, concerns regarding surrender of control to the state and the prospect of technological intermediation. These proposals were juxtaposed with concerns regarding the status of personal information as facts, conflict with the right to free speech, difficulties in allocation in the case of the joint production of data, the problem of degrees of privacy in types of personal data, the problems created by individual control in the aggregation of useful datasets, the insignificance of the ownership question in the face of the use question, the indeterminacy of the status of personal data as personal, intractable forms of information asymmetry, the irreducibility of the linkage between an individual and her personal data, and the incompatibility of property rights with inalienability regimes.

On the back of the descriptive and normative assertions in the previous sections, the fourth section proceeds to unpack the structure of modern data protection law as seen in the European model. After finding that the rules appear to simultaneously retain characteristics of property, liability and inalienability, the analysis arrives at the conclusion that the desire for strict categorisation is the source of the confusion and that no better antidote for this desire exists

than to promote flexibility by embracing a new category. Thus, what began as an attempt to channel discourse away from rhetoric has come to fix instead on a different kind of rhetoric. Hopefully, this journey of realisation has carried through to the experience of readers as well.

**MODERN DEVELOPMENTS IN COPYRIGHT LAW AND THE GOVERNANCE OF E-SPORTS**

LIAN CICILY JOSEPH\*

*ABSTRACT*

*The development of the E-sports or electronic sports or competitive sports industry, both abroad and in India, has facilitated interesting debates and discussions centred on the scope and potential of regulation. India currently does not have an established legal framework to govern the industry. Copyright law seeks to confer on authors the ability to exploit and reap the benefits of their labour by granting exclusive rights in that regard. Certain problems have manifested with respect to the application of certain established principles of copyright law to the E-sports industry. This paper will provide an introduction to the issues encountered in the industry and will also analyse specific issues such as determination of authorship in the industry, the related issue of broadcasting rights and the right to publicity. With regards to the determination of authorship in the gaming industry, while the authorship of the game rests with the creator, allied issues such as avatar ownership and ownership of streamed content continue to spur academic debate with respect to the determination of true authorship. The right of publicity while not a statutory right has gained recognition primarily through the adoption of international principles by the courts in India. The availability of this right with reference to an online persona has gained significant relevance with the emergence of newer forms of video games that allow for increased player autonomy and control. The paper will also discuss the contemporary relevance of these issues and will seek to outline potential solutions for the same.*

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## I. INTRODUCTION

Electronic sports or E-Sports refers to a broad term which presently has no universally accepted definition,<sup>1</sup> and it is synonymously used with other terms like competitive gaming, etc. The concept broadly refers to an event or programme scheduled between two professional video game athletes, who often compete for large sums of money.<sup>2</sup> These programmes are usually broadcasted to an audience of millions of dedicated viewers. DreamHack, Mumbai was the first international tournament held in India and was subsequently followed by three international events in 2018. The prize pool in India rose from around USD500K to USD1.5M in 2019 a jump of around 180%.<sup>3</sup> The broad definition or the lack thereof generally means that the term can also be construed to denote an informal event scheduled between two friends, with or without the involvement of monetary gains. The Indian E-sports industry was estimated to be valued at over 890 million USD in 2018, with projections suggesting that it will cross 1.1 billion USD by 2020 with an estimated 628 million users.<sup>4</sup> The E-sports industry has evolved into a huge market and estimates show that the total revenue growth is expected to be around 1.5 billion USD by 2020. The industry also witnessed a sharp increase in its investments, going from around 490 million USD in 2017 to 4.5 billion USD in 2018.<sup>5</sup>

The sharp rise in both investments and revenue has largely occurred due to the ‘pop-culturalisation’ of E-Sports.<sup>6</sup> The total worldwide viewership of E-sports was estimated to be at 454 million in 2017, which is expected to reach 646 million by 2023.<sup>7</sup> France recently hosted an E-sports forum in 2018, which consisted of the International Olympics Committee (“**IOC**”) and the Global Association of International Sports Federation, where the IOC mentioned that it is

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<sup>1</sup> James Gatto & Mark Patrick, *Overview of Select Legal Issues with eSports*, 6 ARIZ. ST. U. SPORTS & ENT. L.J. 427, 446 (2017).

<sup>2</sup> *Id.*

<sup>3</sup> Indian Esports Prize Money Grew by 180% in 2019, *The Esports Observer* | home of essential esports business news and insights (2020), <https://esportsobserver.com/indian-esports-prizepool-2019/> (last visited May 24, 2020).

<sup>4</sup> Suparna Dutt D'Cunha, *How Digital Gaming In India Is Growing Up Into A Billion-Dollar Market*, FORBES.COM (Mar. 19, 2018), <https://www.forbes.com/sites/suparnadutt/2018/03/09/how-online-gaming-in-india-is-growing-fast-into-a-billion-dollar-market/#35ba167455b6>.

<sup>5</sup> Mariel Soto Reyes, *Esports Ecosystem Report 2020: The key industry players and trends growing the esports market which is on track to surpass \$1.5B by 2023*, BUSINESS INSIDER (Dec. 18, 2019), <https://www.businessinsider.com/esports-ecosystem-market-report?IR=T>.

<sup>6</sup> *More Than a Video Game: How PUBG Mobile Became a Cultural Phenomenon in India*, *The Esports Observer* | home of essential esports business news and insights (2019), <https://esportsobserver.com/pubg-mobile-india-esports-primer/> (last visited May 28, 2020).

*How eSports is Becoming Part of Pop Culture*, Thriveglobal.com (2019), <https://thriveglobal.com/stories/how-esports-is-becoming-part-of-pop-culture/> (last visited May 28, 2020).

Mark Stock, *The Rise of eSports and Online Competitive Gaming* | *The Manual The Manual* (2019), <https://www.themanual.com/culture/rise-of-esports-online-competitive-gaming/> (last visited May 28, 2020).

<sup>7</sup> *Id.*

currently exploring the option of including E-Sports in the 2024 Olympics.<sup>8</sup> The development of the gaming industry in India was fuelled by the ease of access to fast and high-speed Internet, and the popularity of games such as Player Unknown's BattleGround (PUBG), Fortnite, Dota 2 and Overwatch.<sup>9</sup> The industry, which had remained rather dormant in India, saw a sharp rise in popularity in 2018 when India hosted 3 international competitions with an increase in the cash prizes from around 500 thousand USD to over 1.5 million USD in 2019.<sup>10</sup> Similarly, Indian teams have also seen an increase in opportunities to participate in tournaments abroad due to increasing sponsorship programmes being offered from major tech companies like ASUS, etc.<sup>11</sup>

Copyright laws refer to the protection accorded to works created out of the creativity of the author. The primary objective of the law is to ensure that the creators of a particular work are adequately rewarded against the potential risk of disclosure to the public. The author is allowed to exploit their work and reap the benefits of their labour under copyright laws.<sup>12</sup> Furthermore, the law also recognises situations where the use of such material is allowed and governed by laws such as fair use and precedents.<sup>13</sup>

Intellectual property rights in E-sports currently account for 14% of the total global revenue stream, with \$95.2 million spent on the acquisition of media rights in 2017 – an 81.5% increase from 2016.<sup>14</sup> The need for systematic regulation of the industry echoes concerns regarding potential copyright infringement among other intellectual property rights issues. Academicians and scholars have argued that a strong legislative framework would curtail the prevalence of exploitative and anti-competitive practices within the industry<sup>15</sup>. The aim of this article is to analyse the growth and emergence of E-sports in relation to potential regulatory challenges with a special emphasis on issues surrounding copyright law.; Section II will analyse the problems relating to the definition of authorship rights; Section III will look at the scope of broadcasting rights; Section IV will further deal with whether players/athletes have the right of publicity, and the conclusion will deal with potential solutions to the issues enumerated herein.

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<sup>8</sup> *Paris 2024 Olympics: Esports 'in talks' to be included as demonstration sport*, BBC (Apr. 25, 2018), <https://www.bbc.com/sport/olympics/43893891>.

<sup>9</sup> *The Exemplary Growth Of eSports In India*, INVENTIVA (Feb. 13, 2020), <https://www.inventiva.co.in/trends/inventiva/the-exemplary-growth-of-esports-in-india/>.

<sup>10</sup> Shounak Sengupta, *Indian Esports Prize Money Grew by 180% in 2019*, THE ESPORTS OBSERVER (Jan. 13, 2020), <https://esportsobserver.com/indian-esports-prizepool-2019>.

<sup>11</sup> *Id.*

<sup>12</sup> Simon Stern, *From Author's Right to Property Right*, 62 U. TORONTO L.J. 29 (2012).

<sup>13</sup> V.K. AHUJA, *INTELLECTUAL PROPERTY RIGHTS IN INDIA* (2nd ed., 2015).

<sup>14</sup> Max Miroff, *Tiebreaker: An Antitrust Analysis of Esports*, 52 COLUM. J.L. & SOC. PROBS. 177, 224 (2019).

<sup>15</sup> *Id.*

## II. GAMING AND AUTHORSHIP RIGHTS- A COMPLICATED RELATIONSHIP

Article 1 of the Berne Convention of which India, is a signatory<sup>16</sup>, states that the countries to which the convention applies would constitute a union for the protection of the rights of authors in their literary and artistic works.<sup>17</sup> Article 2 defines the terms 'literary and dramatic works' and provides that the protection shall operate for the benefit of the author and his successors.<sup>18</sup> However, the term author, unlike the other terms, has not been defined in great detail in the Convention. The World Intellectual Property Organisation Guide to the Berne Convention clarifies that the Convention does not explicitly define the term 'author' due to the varied definition of the same under certain national jurisdictions.<sup>19</sup> Under the common law system, a rather commercial and pragmatic approach<sup>20</sup> towards copyright law is adopted. The rationale is to reward those who spend their time, labour, effort, skill etc. in creating works which can be exploited,<sup>21</sup> by the author, by way of reproduction, performance, etc.<sup>22</sup>

### A. Protecting Videogames

Section 2(d) read with Section 17 of the Indian Copyright Act 1957 ("Act") broadly defines an author to be a person who is the original creator of the work.<sup>23</sup> The Act also protects the expression of an idea, rather than the idea itself. It is important that a work is not copied or appropriated from another author and that the thought is expressed.<sup>24</sup> In *Rediff.com India Ltd v E-Eighteen.com Ltd*,<sup>25</sup> the court held that the Act was not concerned with an original idea but with the expression of the thought.<sup>26</sup> Section 13(1) of the Act states that copyright subsists in any original literary, dramatic, musical and artistic work, but fails to establish a definition of originality. Originality is the basic yardstick used to determine whether an author is entitled to the protection of their work. The Indian test of originality follows a unique blend of the twin test

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<sup>16</sup> *Treaties and Contracting Parties*, WIPO.INT, [https://www.wipo.int/treaties/en/remarks.jsp?cnty\\_id=969C](https://www.wipo.int/treaties/en/remarks.jsp?cnty_id=969C)

<sup>17</sup> Berne Convention for the Protection of Literary and Artistic Works art. 1, Sept. 9, 1886, 25 U.S.T. 1341, 828 U.N.T.S. 221.

<sup>18</sup> *Id.*, at Art. 2(1) and (6).

<sup>19</sup> WIPO, GUIDE TO THE BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORKS (PARIS ACT, 1971) 11 (1978) (ebook).

<sup>20</sup> GILLIAN DAVIES ET AL., COPINGER AND SKONE JAMES ON COPYRIGHT (17th ed. 2016).

<sup>21</sup> WILLIAM FISHER, *Theories of Intellectual Property*, in NEW ESSAYS IN THE LEGAL AND POLITICAL THEORY OF PROPERTY (Stephen R. Munzer ed., 2001).

<sup>22</sup> Gillian Davies et al., *supra* note 20.

<sup>23</sup> T. R SRINIVASA IYENGAR ET AL., COMMENTARY ON THE COPYRIGHT ACT (7th ed. 2010).

<sup>24</sup> V.K. Ahuja, *supra* note 13.

<sup>25</sup> *Rediff.com India Ltd v E-Eighteen.com Ltd*, 2013 (55) PTC 294 (Del), University of London Press Ltd v University Tutorial Press Ltd, (1916) 2 CH. D. 601.

<sup>26</sup> V.K. Ahuja, *supra* note 13.

of ‘sweat of the brow’,<sup>27</sup> and ‘modicum of creativity’.<sup>28</sup>

In the case of *Atari Games Corp v. Oman*,<sup>29</sup> the United States (“U.S.”) Register of Copyright had decided to deny copyright protection to the creators of the video game, ‘*Breakout*’ on the ground that it lacked minimal creative artistic expression needed to grant protection. The same was upheld by the courts until it was subsequently overturned in the U.S. Court of Appeals.<sup>30</sup> The Court concluded that the emphasis must be on the overall flow of the game rather than the individual screens presented and the creative expressions found in the overall feel of the game include its audio-visual effects. The Court also held that, after the decision in *Feist Publications*,<sup>31</sup> in which the threshold of creativity was set at a lower bar, a minimum standard of creativity is expected out of a person seeking such protection.<sup>32</sup> In the case of *Feist Publications*,<sup>33</sup> the court had laid down three primary conditions for a work to be deemed as copyrightable; (i) the collection and assembly of pre-existing material- facts or data, (ii) selection coordination or arrangement of the same and (iii) the creation of an original work by virtue of the selection, coordination or arrangement. Protection is therefore accorded to works that have a *de minimis quantum* of creativity. Subsequent litigation in this domain led to the development of a dual standard of protection to video games. On one hand, the actual code of the game is copyrighted as literary work,<sup>34</sup> while the audio-visual displays and the series of sounds and screens being reproduced,<sup>35</sup> on the other are protected as audio-visual work.<sup>36</sup>

In the Indian scenario, there exists a level of uncertainty with regards to whether or not video games fall within the ambit of section 2(f) of the Act which deals with cinematographic works.<sup>37</sup> The section defines a cinematographic film to include any work of visual recording, including the sounds involved, and it is construed to mean any work produced through a method or process

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<sup>27</sup> Indian Express Newspaper (Bombay) Pvt. Ltd. v. Jagmohan, AIR 1985 Bom 229 (India).

<sup>28</sup> Eastern Book Company and Ors. v. D.B. Modak and Anr., (2008) 1 SCC 1 (India).

<sup>29</sup> Atari Games Corporation v. Ralph Oman, Register of Copyrights. 888 F.2d 878 (1989)

<sup>30</sup> Atari Games Corporation, Appellant, v. Ralph Oman, Register of Copyrights, Appellee, 979 F.2d 242 (D.C. Cir. 1992)

<sup>31</sup> Feist Publ'n Inc. v. Rural Tel. Serv. Co., 499 U.S. 340, 345 (1991).

<sup>32</sup> *Id.*

<sup>33</sup> *Id.*

<sup>34</sup> M. Kramer Mfg. Co. v. Andrews, 783 F.2d 421, 442 (4th Cir. 1986).

<sup>35</sup> Kyle Coogan, *Let's Play: A Walkthrough of Quarter-Century-Old Copyright Precedent as Applied to Modern Video Games*, 28 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 381, 420 (2018).

<sup>36</sup> Midway Mfg. Co. v. Artic Int'l Inc., 704 F.2d 1009, 1011 (7th Cir. 1983), cert. denied, 464 U.S. 823 (1983).

<sup>37</sup> Rishi Wadhwa, *Copyright Aspects in Videogames*, LEXISNEXIS INDIA (Sept. 13, 2016), <http://lexisnexisindia.blogspot.com/2016/09/copyright-aspects-in-videogames.html>.

analogous to cinematography.<sup>38</sup> It is yet to be seen whether a dual form of copyright similar to the process prevalent in the U.S. will be adopted or whether the scope of the section can be widened to include the same.<sup>39</sup> The honourable Delhi High Court in 2013,<sup>40</sup> had passed an *ex parte* injunction in favour of the plaintiffs, Sony Entertainment, by referring to the anti-circumventing laws provided under section 65A of the Act. It held that the defendants could no longer sell consoles of the plaintiff with certain changes made to the software because they were charging only a nominal fee to make these adjustments,<sup>41</sup> and enabled a future purchaser to play the game at lower costs. This case seemingly reflected the need to address larger concerns regarding potential cases of infringement in the Indian gaming space with an urgent need for judicial clarity on the same. The adoption of this dual system while beneficial for large corporations especially in the budding E-sports industry in India could prove to be detrimental to smaller independent creators or players who would have to rely on gaining permission from these big corporations. This could explain why courts in India are hesitant to apply this form of duality. A part of the company's advertisement cost is covered by enthusiastic players who make videos, etc. widening the reach of the game. While the cost of creating this right is high if companies were to protect it, it would discourage use by smaller players due to the high cost they would be forced to incur ultimately reducing the reach of the game.

### **B. Who owns the game?**

In cases surrounding interactive gaming, there is active participation of the players and they positively partake in the creation of the audio-visual screen.<sup>42</sup> It could be argued that the player passed the minimum requirement of originality as laid down in the case of *Feist Publications*,<sup>43</sup> by proving that their specific actions have resulted in the creation of a newer output than what was originally presented. In the case of *Midway Manufacturing v. Artic International, Inc.*,<sup>44</sup> the Court looked at whether the actions of a player to cause a particular change would be enough to consider the same to be the work of the player, and not that of the game owner. The Court answered this in the negative and concluded that the player lacks the control to bring about a

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<sup>38</sup> *Id.*

<sup>39</sup> *Id.*

<sup>40</sup> *Sony Computer Entertainment v. Harmeet Singh*, 2012 (51) PTC 419 (Del).

<sup>41</sup> Ashutosh Mishra, *Intellectual Property in the Videogame Industry- With Comparative Analysis of PUBG and Fortnite*, IPLEADERS BLOG (Dec. 11, 2019), <https://blog.ipleaders.in/intellectual-property-videogame-industry>.

<sup>42</sup> Coogan, *supra* note 35

<sup>43</sup> *Feist*, 499 U.S. at 345.

<sup>44</sup> *Artic Int'l Inc.*, 704 F.2d at 1011.

change that exists beyond the defined and limited space of the game.<sup>45</sup> In subsequent cases, the Court also held that the creativity of the player largely depends on the scope defined by the source material of the code of the game.<sup>46</sup> Finally, the court concluded that the company was entitled to copyright protection despite the existence of user interaction. While this rationale may find modern relevance, the applicability is immensely dependent on the kind of game that is being adjudicated upon. Games like *MineCraft*,<sup>47</sup> and *World of Warcraft*,<sup>48</sup> are marketed on the basis of the limitless nature of these games.<sup>49</sup> Users are encouraged to engage in, and create worlds that are uniquely defined to their personal tastes and standards. The question before the courts now is multifaceted, as it depends on the nature or the kind of game so developed, and the level of originality exhibited thereunder. The court might either consider the broad themes and plots of the game to constitute the ground for granting protection, or it can consider the entire sequence of screens as a complete entity in itself and grant protection on that basis.<sup>50</sup> A pertinent issue with regards to allowing for such monopolisation is the potential that the scope of the game would be limited and narrowed down. Additionally, enforcing such standards would also prove to be a massive hurdle, which would require the creation of tools, or algorithms that could effectively single out cases of infringement, which would be a huge cost, that the companies would be forced to incur.

### C. Avatar Ownership and Originality

Another interesting facet of originality and authorship is with reference to the ownership of avatars or the in-game character used to represent the player.<sup>51</sup> In the article titled *Who Owns an Avatar? Copyright, Creativity and Virtual Works*,<sup>52</sup> the author has talked about four broad aspects of an avatar- as being the distinctive visual appearance, the abilities, the behaviour and the dialogues spoken by the avatar.<sup>53</sup> Games are developed with a variety of avatars, including pre-generated and customisable avatars. The determination of authorship, in such a situation will be based on the level of control and autonomy attributed to the individual player. Some academicians believe

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<sup>45</sup> *Id.*

<sup>46</sup> *Red Baron-Franklin Park, Inc. v. Taito Corp.*, 883 F.2d 275, 279 (4th Cir. 1989).

<sup>47</sup> Tom Stone, *How to Minecraft*, MINECRAFT (Feb. 23, 2017), <https://www.minecraft.net/en-us/article/how-minecraft>.

<sup>48</sup> *Game Time-World of Warcraft*, BLIZZARD ENT., <https://us.battle.net/shop/en/product/world-of-warcraft>

<sup>49</sup> *Id.*

<sup>50</sup> Coogan, *supra* note 35.

<sup>51</sup> Michael McTee, *E-Sports: More than Just a Fad*, 10 OKLA. J.L. & TECH. 1, 27 (2014).

<sup>52</sup> Tyler T. Ochoa, *Who Owns an Avatar?: Copyright, Creativity, and Virtual Worlds*, 14 VAND. J. ENT. & TECH. L. 959, 961-62 (2012).

<sup>53</sup> *Id.*

that, in case of customisable works, the company grants implied permission to the players to create derivative works,<sup>54</sup> while others argue that the player is the joint owner of the avatar along with the company.<sup>55</sup> Again, the creation of the avatar is based heavily on the tools made available to the player. In the article mentioned above, the author argues that if the avatar is a pre-existing work or one where the tools allow for minimal customisation, then the work could be construed to be a derivative work. However, if the tools are relatively complex and provide for the creation of a ‘*substantially different*’ avatar from the pre-generated version, then the status of joint authorship must be accorded to the player, as it is an original and creative work.<sup>56</sup> Whether or not it's actually protected and how this protection plays out in an online space is also very relevant. With the increasing popularity of the games and the possibility of only finite options for customisation, it would be impractical to give protection based on finite options.

#### **D. Licensing Issues**

Game publishers have been traditionally considered the authors of the game,<sup>57</sup> and therefore, also the authors of the specific E-sport created around their game. These publishers could use the guaranteed intellectual property rights on their game to exert control on the production, distribution or broadcasting of their game.<sup>58</sup> However, the broadcasting of these tournaments is predominantly done online by organisers who may not be the owners of the game. This has resulted in the creation of a situation wherein there is a lack of a clear definition of ownership among the various stakeholders, organisers, players, etc.<sup>59</sup> Video games are usually licensed and not sold. With regards to online games, the terms of the license are detailed in the terms and conditions provided on the game.<sup>60</sup> In most cases concerning offline access where a game is downloaded, parties resort to an End User Licensing Agreement. This agreement is entered into between the licensor and the purchaser with clear stipulations as to the rights accorded to the purchaser.<sup>61</sup> The author determines the terms of licensing<sup>62</sup> and imposes limitations like non-

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<sup>54</sup> Dan L. Burk, *Owner E-Sports: Proprietary Rights in Professional Computer Gaming*, 161 U. PA. L. REV. 1535, 1547 (2013).

<sup>55</sup> *Id.*

<sup>56</sup> *Id.*

<sup>57</sup> ANDY RAMOS ET AL., *THE LEGAL STATUS OF VIDEO GAMES: COMPARATIVE ANALYSIS IN NATIONAL APPROACHES* 89-91 (2013).

<sup>58</sup> Jacqueline Martinelli, *The Challenges of Implementing a Governing Body for Regulating ESports*, 26 U. MIAMI INT'L & COMP. L. REV. 499, 524 (2019).

<sup>59</sup> *Id.*

<sup>60</sup> James Gatto & Mark Patrick, *Overview of Select Legal Issues with eSports*, 6 ARIZ. ST. U. SPORTS & ENT. L.J. 427, 446 (2017).

<sup>61</sup> *Id.*

<sup>62</sup> *Video Games and the Law: Copyright, Trademark and Intellectual Property*, NEW MEDIA RIGHTS (Nov. 19, 2018), [https://www.newmediarights.org/guide/legal/Video\\_Games\\_law\\_Copyright\\_Trademark\\_Intellectual\\_Property](https://www.newmediarights.org/guide/legal/Video_Games_law_Copyright_Trademark_Intellectual_Property).

transferability and *bona fide* use by the purchaser. Therefore, any broadcast or stream in violation of such terms of the agreement will be an infringement of the author's rights.

### III. BROADCASTING RIGHTS

The issue of broadcasting rights is closely connected to the aforementioned discussion on authorship. While E-sports is similar to traditional sports in the sense that there are strict rules governing the game, it involves strong emotional ties and there is a constant need for high-quality coverage, it still faces a unique set of problems.<sup>63</sup> Viewers may develop a much more intimate relationship with the game at hand, either as players themselves or as dedicated viewers of 'walk-through' and 'let's play' videos.<sup>64</sup> Further, the tournaments heavily focus on the movement of each individual player and require constant monitoring of players. This necessitates the presence of several high-quality cameras. The E-sports industry is witnessing an increase in expenditure, touching around \$700 million in 2016, showing a growth of over 40% from the preceding year.<sup>65</sup> The entire streaming market for video games, including both live streaming and video-on-demand, is estimated to be over \$4 billion.<sup>66</sup> Therefore, disputes over broadcasting rights have slowly emerged as a subject matter for increased litigation.

One of the biggest cases occurred in 2010 between Blizzard Entertainment, Inc., the company behind many successful games like *Overwatch* (2016), and the Korea e-Sports Association (KeSPA).<sup>67</sup> The two entities had a dispute concerning the broadcasting rights over *StarCraft*, another exceptionally popular game. KeSPA argued that they had broadcasted the tournaments for years and were in a way responsible for the success of the game, whereas Blizzard contended that they were the owners of the game and hence had undisputed rights over the same. The matter ended with the suit being settled out of court with Blizzard retaining its rights.<sup>68</sup> Authorities at KeSPA had argued that *Starcraft* and other similar games existed in the public domain and therefore must be accessible to all. Blizzard thus had no right to deny or restrict

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<sup>63</sup> Laura L. Chao, *You Must Construct Additional Pylons: Building a Better Framework for Esports Governance*, 86 FORDHAM L. REV. 737 (2017).

<sup>64</sup> Will Waters, *The challenges of esports broadcasting*, TVBEUROPE (Jan. 3, 2019), <https://www.tvbeurope.com/features/the-challenges-of-esports-broadcasting>.

<sup>65</sup> NEWZOO, 2017 GLOBAL ESPORTS MARKET REPORT 13 (2017), [http://resources.newzoo.com/hubfs/Reports/Newzoo\\_Free\\_2017\\_Global\\_Esports\\_Market\\_Report.pdf](http://resources.newzoo.com/hubfs/Reports/Newzoo_Free_2017_Global_Esports_Market_Report.pdf) [<https://perma.cc/B7Y4-L7RM>].

<sup>66</sup> See, *Market Brief: Gaming Video Content*, SUPERDATA, <https://www.superdataresearch.com/market-data/gaming-videocontent-2015/> <https://perma.cc/XK37-KWZA>.

<sup>67</sup> Blizzard vows to take MBC to court, koreatimes (2010), [http://www.koreatimes.co.kr/www/news/tech/2010/12/133\\_77381.html](http://www.koreatimes.co.kr/www/news/tech/2010/12/133_77381.html)

<sup>68</sup> Stephen Ellis, *IP law, broadcasting rights and esports*, ESPN (Jan. 25, 2016), [https://www.espn.in/esports/story/\\_/id/14644531/ip-law-broadcasting-rights-esports](https://www.espn.in/esports/story/_/id/14644531/ip-law-broadcasting-rights-esports).

access merely because they were the creators of the game. The COO of Blizzard at the time had strongly retaliated against this sentiment by stating that the company had invested a significant amount of money in developing the game and must, therefore, be allowed to reap the benefits of their hard work. Taking away any opportunity to monetise or deny the intellectual property rights of the creators would disincentivise other creative pursuits.<sup>69</sup>

Another issue cropped up in 2015, when a user on Twitch.tv, which is a live streaming service popularly used for video game streaming, created a channel called ‘SpectateFaker’ and exploited a feature in the game *League of Legends*. The channel allowed any solo queue game to be viewed exclusively through the game’s software, by anyone with a *League of Legends* account.<sup>70</sup> It automatically streamed any matches in which player Lee ‘Faker’ Sanghyeok was playing. This raised concerns as Faker had already signed a contract with the streaming service Azubu to exclusively stream on their site.<sup>71</sup> Azubu then attempted to issue a Digital Millennium Copyright Act (DMCA) takedown order against Twitch. As per precedent, however, the video game owner’s rights can be extended to include the audio-visual displays created out of their original work (derivative works).<sup>72</sup> So, in essence, the only entity capable of initiating a claim against ‘SpectateFaker’ was Riot Games, the owner of the game and not Azubu despite their existing contractual obligations with Faker.<sup>73</sup> Eventually, Riot Games got involved and issued a takedown order against ‘SpectateFaker’.

In conclusion, broadcasting companies are at constant loggerheads in order to figure out ways to stand above the competition and the area of broadcasting is expected to get even more complicated with the advancements in technology. These deals are also expensive, for instance, the 90 million USD deal between Twitch and Activision Blizzard for exclusive streaming of the *League of Legends* tournament for a period of two years.<sup>74</sup> The notion of exclusivity can also be challenged on two broad fronts; the social repercussions of conferring such a right and the practical feasibility in terms of enforcement. While it is essential that companies are given the rights that are due to them, allowing a company to charge a fee when the nature of video games

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<sup>69</sup> Report: Blizzard suing over Korean StarCraft broadcast rights, Engadget.com (2010), <https://www.engadget.com/2010-12-04-report-blizzard-suing-over-korean-starcraft-broadcast-rights.html>

<sup>70</sup> Coogan, *supra* note 35.

<sup>71</sup> *Id.*

<sup>72</sup> Susan K. Bennett, Copyrights and Intellectual Property - Portions of Video Games May Constitute Protected Property. (Atari, Inc. v. North American Philips Consumer Electronics Corp.), 66 Marq. L. Rev. 817 (1983).

<sup>73</sup> James Gatto et.al., *supra* note 60.

<sup>74</sup> Esports Bar & Newzoo, *Understanding Media Rights in Sports* (2019), [https://resources.newzoo.com/hubfs/Reports/Newzoo\\_Esports\\_Bar\\_Understanding\\_Content\\_Rights\\_in\\_Esports.pdf](https://resources.newzoo.com/hubfs/Reports/Newzoo_Esports_Bar_Understanding_Content_Rights_in_Esports.pdf).

is social and inclusive bothers many. Secondly, as seen in the SpectateFaker case, the enforceability of the terms of a contract is marred by the opportunities posed by the internet especially in terms of the ease in which it can be replicated thereby incurring a high enforcement cost.

#### IV. RIGHT OF PUBLICITY

The right of publicity or publicity rights essentially recognise the value that subsists in the being of a person and grants the right to control the commercial use of ones' name, image, identity or likeness.<sup>75</sup> It provides a cause of action when a person or entity uses the protected identity without permission.<sup>76</sup> This right is recognised in national as well as in international intellectual property jurisprudence. In the case of *White v. Samsung Electronics America, Inc.*,<sup>77</sup> The plaintiff in this case was a popular TV show hostess who sued the defendant for the use of a robot in an advertisement that closely resembled her. The court recognised the right of the plaintiff to exploit her commercially marketable celebrity identity.

In *Titan Industries v. M/s Ramkumar Jewellers*,<sup>78</sup> the Delhi High Court granted a permanent injunction in the favour of the plaintiff against the defendant's unauthorised use of an identical advertisement board. It stated that the couple enjoys a special celebrity status and are entitled to control the use of that identity, to ensure that it is not used to their detriment. The right of publicity in India like abroad stems from the right of privacy, which is enshrined under Article 21 of the Indian Constitution.<sup>79</sup> In the case of *R Raja Gopal v. State of Tamil Nadu*,<sup>80</sup> the court recognised the right of publicity as part of the right to privacy and concluded that an individual's right is violated when their image or likeness is used without their consent.<sup>81</sup> In India, the tort of passing off is also commonly used when it comes to matters regarding the right of publicity. Liability was initially fixed to uses of a person's name, likeness, or image; however, the scope of the right has expanded in common law jurisdictions to include the concept of 'persona'.<sup>82</sup> The

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<sup>75</sup> Kumar Anjani, *India and Right of Publicity*, BANANAIP COUNSELS (Apr. 28, 2019), <https://www.bananaip.com/ip-news-center/india-and-right-of-publicity>.

<sup>76</sup> Jennifer E. Rothman, *E-Sports as a Prism for the Role of Evolving Technology in Intellectual Property*, 161 U. PA. L. REV. 317, 330 (2012).

<sup>77</sup> *Vanna White v. Samsung Elec. Am., Inc.*, 989 F.2d 1512 (9th Cir. 1993).

<sup>78</sup> *Titan Indus. v. Ramkumar Jewellers*, 2012 (50) PTC 486 (Del).

<sup>79</sup> M. Sai Krupa, *Personality Rights In Indian Scenario*, MONDAQ (Feb. 27, 2018), <https://www.mondaq.com/india/Intellectual-Property/677226/Personality-Rights-In-Indian-Scenario>.

<sup>80</sup> *R. Raja Gopal v. State of Tamil Nadu*, 1995 AIR 264.

<sup>81</sup> *Id.*

<sup>82</sup> Adam Levy, *PWND Or Owned - The Right of Publicity and Identity Ownership in League of Legends*, 6 PACE INTELL. PROP. SPORTS & ENT. L.F. 163, 183 (2016).

term ‘persona’ covers anything that can be linked to the personality of the identity holder.<sup>83</sup> The defendant will also be held liable for the causation of a mere mental association with the personality of the identity holder.<sup>84</sup>

With reference to E-sports, the doctrine is applicable in a rather abstract way. With advancements in technology, the definition of ‘persona’ has adopted a variety of meanings and its scope is wide.<sup>85</sup> In her work, ‘*Raising the Stakes: E-Sports and The Professionalization of Computer Gaming*’,<sup>86</sup> the author suggests that each player has a distinctive style of playing that adds to the uniqueness of each player. She argues that a player’s right of publicity must be extended to include these playing styles and strategies, in order to prevent appropriation by other players. Given that the industry is built on having players build a large following based on their personality and skill, the protection of such player specific strategies does not seem far-fetched.<sup>87</sup> Perhaps the biggest issue with the adoption of such a right is that the monopoly right so granted would be too extreme. It would ensure that any future player who is a fan of an established and well-known player would not be able to use such skills even if it was *bona fide*.<sup>88</sup> The mere possibility that a specific thing might connote likeliness to another thing must not be the sole basis on which the protection is accorded.

Another connected issue is with reference to the ability of individual players to license their right of publicity.<sup>89</sup> Individual players find it hard to license their rights in the absence of adequate bargaining powers when confronted with large corporate entities. Companies such as *Riot Games*, have created tournaments that are of high standards, through large investments, which makes reproduction by smaller entities almost impossible. Players then feel compelled to enter into contracts with strict terms such as the assignment of their right of publicity to the team and in turn to their sponsors.<sup>90</sup> The potential solution to the issue would be to educate the players on the availability of certain rights and options and the creation of such regulations which would effectively tackle the same.

The right of publicity grants protection to the commercial value of a celebrity’s identity and

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<sup>83</sup> *Id.*

<sup>84</sup> *Id.*

<sup>85</sup> *Id.*

<sup>86</sup> T.L. TAYLOR, RAISING THE STAKES: E-SPORTS AND THE PROFESSIONALIZATION OF COMPUTER GAMING 109-10 (2012).

<sup>87</sup> *Id.*

<sup>88</sup> *Id.*

<sup>89</sup> *Id.*; Newzoo, *supra* note 74.

<sup>90</sup> *Id.*

prevents unauthorised commercial use of the same.<sup>91</sup> In his dissenting opinion,<sup>92</sup> J. Kozinski noted that overprotecting a right is as equally harmful as under protecting it. New creators build and expand on the works created before them, overprotecting a right would stifle creativity. In the context of E-sports, if there are a limited number of moves and steps or particular ways in which a game is played, it would become extremely difficult to define infringement in an appropriate manner without negatively impacting the ability of other players to access and enjoy the game.

## V. CONCLUSION

The rise of the E-sports industry has catapulted the world into a host of new issues which require intervention by the law.<sup>93</sup> The argument in support of a regulatory framework is, essentially centred on the State's responsibility to establish such institutions that ensure non-exploitation and fair use in this industry.<sup>94</sup> Researchers have identified a myriad of issues that will soon find its way into the Indian market if they already do not exist. These issues range from online gambling,<sup>95</sup> and doping<sup>96</sup> to anti-competitive practices by game owners.<sup>97</sup>

This paper has focused exclusively on the issue of copyright infringement within the larger scheme of the E-Sports industry. Copyright law has knowingly created and sustained conflict between those who create a particular work and those who wish to access, use and expand on the copyrighted works.<sup>98</sup> As discussed above, the scope of the requirement of originality has been widened due to revolutionary changes in technology and possesses its unique set of issues vis-a-vis the issues of avatar ownership, the right to publicity and broadcasting rights. These conflicts went largely untraceable due to the private nature of certain cases of infringement such as those done in the confines of one's home. With the advent of the internet, copyright infringement has now become more traceable, visible and blockable.<sup>99</sup> In his article '*Owning e-*

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<sup>91</sup> *White v. Samsung Elecs. Am*, *Law School Case Brief*, , LEXISNEXIS.COM, <https://www.lexisnexis.com/community/casebrief/p/casebrief-white-v-samsung-elecs-am>.

<sup>92</sup> *Vanna White v. Samsung Elec. Am., Inc.*, 989 F.2d 1512 (9th Cir. 1993).

<sup>93</sup> *McTee*, *supra* note 51

<sup>94</sup> Katherine E. Hollist, *Time to Be Grown-Ups about Video Gaming: The Rising eSports Industry and the Need for Regulation*, 57 ARIZ. L. REV. 823, 848 (2015).

<sup>95</sup> Matthew R. Tsai, *Fantasy (E) Sports: The Future Prospect of Fantasy Sports Betting amongst Organized Multiplayer Video Game Competitions*, 6 UNLV GAMING L.J. 393, 419 (2016).

<sup>96</sup> John T. Holden et al., *Esports Corruption: Gambling, Doping, and Global Governance*, 32 MD. J. INT'L L. 236, 273 (2017).

<sup>97</sup> *Miroff*, *supra* note 14.

<sup>98</sup> *Rothman*, *supra* note 76.

<sup>99</sup> *Id.*

*Sports: Proprietary Rights in Professional Computer Gaming*,<sup>100</sup> the author Dan Burk contends that the advancements in the industry need to be addressed through specific legislation designed to this effect, which can be brought about via amendments to the existing laws. The E-sports industry is ever-evolving and since the law is rather reactionary and rarely adopts a precautionary approach, the present system might fail to account for the series of advancements in an appropriate manner. A potential immediate solution to the issues enumerated in the article could be the expansion of the current legal system to adequately account for these changes.

Any law that attempts to regulate the industry might overstep its boundaries and may encroach upon the domain of an individual's personal life. For instance, the ease of access provided by the internet, on the one hand, makes it easier to trace and figure out cases of infringement. On the flip side, it has the potential of causing severe damage to fair use laws,<sup>101</sup> as takedown orders can be communicated and enforced in a quicker manner. An expansion of the existing framework on copyright law in India would ensure that the matters are adjudicated in a nuanced manner giving due regard to the factual matrix of the case at hand.

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<sup>100</sup> Burk, *supra* note 54.

<sup>101</sup> Rothman, *supra* note 76.

**CRITICALLY ANALYSING SECTION 65A OF THE COPYRIGHT ACT, 1957**

SHREYA YADAV\*

**I. INTRODUCTION**

Copyright law has always had a close nexus with the access rights of the public and protection of the labour of the creators which was provided through exclusive entitlement to prevent unauthorised use of copyrighted works. The primary objective behind the enactment of modern copyright laws is to strike a balance between the interests of the society in accessing knowledge and information and the incentives to be given to creators for their efforts, innovation and intellect by giving the latter the right to reproduce and enjoy monetary benefits from the distribution of protected works.<sup>1</sup>

However, with the global transition to a digitised world, the proliferation of proprietary works has become easier, faster and inexpensive. Large amounts of data can be stored and transmitted to any corner of the world in a matter of a few seconds. This development of technology, thus, adversely affects the rights of copyright owners.<sup>2</sup> To counter this exponential increase in the number of instances involving the unauthorised use of copyrighted works, right-holders also turned to the same technology for seeking protection. Therefore, digital technologies were simultaneously developed to curb digital piracy and ensure continued enjoyment of exclusive rights by the copyright holders. Such technologies are commonly called Digital Rights Management ('DRM'), and the two most widely used forms of DRMs are Technological Protection Measures ('TPMs') and Rights Management Information ('RMIs').

TPMs are used in order to restrict access or reproduction of the underlying protected copyrighted material through passwords, digital watermarks, digital locks, cryptography, etc. RMIs are used primarily in order to communicate, record and transmit data with respect to licensing, payment and authenticity.<sup>3</sup> However, technology is not biased towards copyright holders who use digital technology to protect their work online as these technological measures can be circumvented by the very same technology through the process of reverse engineering or subsequent advancement in technology. Therefore, in essence, these technological measures only make it difficult for an ordinary user to access protected works, often infringing their fair use

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<sup>1</sup> P. Samuelson, *Copyright, Commodification and Censorship: Past as Prologue-But to What Future*, in THE COMMIDIFACTION OF INFORMATION 68 (Neil Weinstock Netanel and Niva Elkin-Koren eds., 2002).

<sup>2</sup> I Kerr et al., *Technological Protection Measures: Tilting at Copyright's Windmill*, 34 OTTAWA L. REV. 9 (2002).

<sup>3</sup> Julie E. Cohen, *DRM and Privacy*, 18 BERKELEY TECH. L. J. (2003).

rights, but does not make it entirely impossible to circumvent these defence mechanisms employed by right-holders.<sup>4</sup>

Thus, copyright holders are lobbying to restrict the proliferation of these circumvention technologies and devices by calling for the stronger legal protection of DRMs, since DRMs must derive their power externally in order to effectively safeguard the copyright holders' interests.<sup>5</sup> This is where anti-circumvention provisions come into the picture as they make it illegal to "tamper with, alter, or otherwise work around the technical implementation of TPMs".<sup>6</sup>

The scope of this paper is limited to analysing Section 65A of the Copyright (Amendment) Act, 2012 which introduced anti-circumvention provisions into the Indian copyright regime. That is, the paper would deal solely with the legal regime surrounding Technological Protection Measures ('TPMs'). The paper would also shed light on the conflict between access rights and protection rights, particularly within the scope of 'fair use' which attains a new dimension in the digital world. The paper would also attempt to answer the glaring question of whether the decision of the Indian legislature to introduce anti-circumvention provisions in order to keep up with global developments and achieve a balance between the interests of the rights holders and consumers has been realised through the 2012 amendment.

## II. EVOLUTION OF ANTI-CIRCUMVENTION LAWS IN THE ARENA OF DIGITAL COPYRIGHT LAW

TPMs are technological measures that, in order to safeguard the interests of the copyright-holders, *restrict* what can be done with a file by the user. This restriction can be in the form of "altering, copying, converting, examining, sharing, distributing, saving or using the digital media in which the copyright holder's interest lie."<sup>7</sup> They are broadly classified on the basis of the functions performed such as: Access Control Technology which controls or restricts access to work,<sup>8</sup> and Copy Control Technology which restricts the use/reproduction of the protected work,<sup>9</sup> and Passwords, digital watermarks, digital locks, cryptographs, etc, which are commonly used TPMs to curb piracy and prevent unauthorised access to protected works. However, these measures

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<sup>4</sup> Kerr, *supra* note 2.

<sup>5</sup> Swaraj Paul Barooah, *Disruptive (Technology) Law: Examining TPMS and Anti-Circumvention Laws in the Copyright (Amendment) Act, 2012*, 5 NUJS L. REV. 583 (2012).

<sup>6</sup> Robert C Denicola, *Access Controls, Rights Protection, and Circumvention: Interpreting the Digital Millennium Copyright Act to Preserve Non-infringing Use*, 31 COLUM. J. L. & ARTS 209 (2008).

<sup>7</sup> *Id.*

<sup>8</sup> Denicola, *supra* note 6. "Access control technological measures are of various types including: (1) control access at the outlet, e.g., 'regional codes'; (2) control access at user level; (3) control access of acquired copy of the work, e.g., content scrambling system (CSS); and (4) control over subsequent access, e.g., serial copy management system (SCMS)."

<sup>9</sup> Denicola, *supra* note 6. "They are called 'copy control TMs' because the majority of such TMs are used to prevent unauthorized copying though some are used to prevent other activities like unauthorized printing, etc. Examples of such TMs include CSS, CD Cops, key2Audio, MediaMax CD-3, etc."

have certain drawbacks as well. There has been a considerable amount of evidence suggesting that TPMs and DRMs are counterproductive and fail to effectively curb piracy as “*they will continue to be circumvented and persons pirating or facilitating piracy cannot be mostly located in the vast ocean of digital sphere.*”<sup>10</sup>

As can be seen in the recent *Nintendo Co. Ltd. v. Sky UK Ltd. and others*,<sup>11</sup> a case where Nintendo had to seek an injunction for blocking piracy websites despite avoiding pirated copies of its video games being downloaded by users, in spite of the use of TPMs. Further, the failure of TPMs to curb piracy of music CDs, *et cetera* has been extensively documented. TPMs, when imposing access restrictions, also impose excessive transaction costs, as such measures need to be designed with great caution to ensure that they do not infringe users’ rights unnecessarily. Also, the burden to ensure that TPMs do not overstep the boundary of fair and genuine restrictions is, directly or indirectly, on the copyright owner who makes use of these measures to protect their work.<sup>12</sup> There is, thus, a clear conflict of interest and consequently, interests of users are often compromised.

The widespread use of TPMs show that the rights of the users are subordinate to those of the copyright owners since it is the latter that controls the former’s access to the protected material. The physical/virtual holding of material does not automatically mean that the material can be accessed and be used in a way not allowed by the copyright owner. Thus, the issues of (1) restricted usage; (2) problem of interoperability; (3) issues of privacy; (4) lockouts; and (5) market disorientation<sup>13</sup> in using TPMs led consumer interest groups to adopt technology capable of circumventing these virtual defences employed by the copyright holders.

This technical situation was in constant flux and prompted right holders to seek legal protection for these technological measures.

Consequently, rights holders lobbied to get protection for these technological measures incorporated in the WIPO Copyright Treaty (WCT)<sup>14</sup> as well as the WIPO Performances and

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<sup>10</sup> Alain Strowel & Severine Dussolier, *Legal Protection of Technological Systems*, WCT-WPPT/IMP/2 (Nov. 23, 1999), [https://www.wipo.int/edocs/mdocs/copyright/en/wct\\_wppt\\_imp/wct\\_wppt\\_imp\\_2.pdf](https://www.wipo.int/edocs/mdocs/copyright/en/wct_wppt_imp/wct_wppt_imp_2.pdf)

<sup>11</sup> *Nintendo Co. Ltd. v. Sky UK Ltd. and others*, [2019] EWHC 2376 (Ch).

<sup>12</sup> Kerr, *supra* note 2.

<sup>13</sup> Sensarkar Nilanjana, *The potential impact of digital rights management on the Indian entertainment industry*, 6(1) J. INT’L TRADE L. & POLICY 47 (2007).

<sup>14</sup> Article 11 states that, “Obligations concerning technological measures: Contracting Parties shall provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty or the Berne Convention and that restrict acts, in respect of their works, which are not authorized by the authors concerned or permitted by law.”

Phonogram Treaty (WPPT) in 1996.<sup>15</sup> Following the incorporation of the anti-circumvention provision in WIPO Treaties, many member states, particularly, the United States,<sup>16</sup> England<sup>17</sup> and later India<sup>18</sup>, enacted national legislation to protect technological measures applied by copyright owners to safeguard their works.<sup>19</sup>

Anti-circumvention provisions, while protecting works of the copyright holders, diminish the access rights of the users, and thus threaten fair use, research, innovation, freedom of expression and competition. Experience of abuse of anti-circumvention provisions across the world has shown that these unintended consequences far exceed the intended gain of curbing piracy and incentivising creators to continue to innovate.<sup>20</sup> Thus, excessive protection to TPMs stifles the growth of the public domain and increases the information asymmetry as knowledge is controlled by few at the cost of the entire society.<sup>21</sup> For instance, in *USA v. Elcomsoft & Dmitry Sklyarov eBook Reader*,<sup>22</sup> Elcomsoft's software which was capable of reading Adobe eBooks was sued by the Adobe Software for illegal use, or suits filed by Sony against developers who create 'emulators', that is gaming consoles for their video games.<sup>23</sup> These restrictions harm innovation in the industry, as well as legitimate manipulation by consumers to suit their individual requirements as TPMs last until the circumvention technology becomes ubiquitous but traditional copyright protection was limited by time to ensure public access to knowledge and information.

### III. INDIAN COPYRIGHT (AMENDMENT) ACT, 2012 AND THE ANTI-CIRCUMVENTION PROVISIONS

The Indian Copyright Act, 1957 was amended in 1994 to make it compatible with the latest technological developments of the time. The 1994 amendment had incorporated 'plate' to protect anti-circumvention technology. According to Section 2(t), plates were defined to include "*any stereotype, negative, duplicating equipment or other device used or intended to be used for printing or*

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<sup>15</sup> Article 18 reads as follows, "Obligations concerning technological measures: Contracting Parties shall provide adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by performers or producers of phonograms in connection with the exercise of their rights under this Treaty and that restrict acts, in respect of their performances or phonograms, which are not authorized by the performers or the producers of phonograms concerned or permitted by law."

<sup>16</sup> Digital Millennium Copyright Act of 1998, 17 U.S.C.A. (West 2008).

<sup>17</sup> The Copyright, Designs and Patent Act 1988, c. 48, (Eng.).

<sup>18</sup> Copyright (Amendment) Act, 2012, No. 27, Acts of Parliament, 2012 (India).

<sup>19</sup> Marlize Jansen, *Protecting Copyright on the Internet*, 12 JUTA'S BUS. L. 100 (2004).

<sup>20</sup> Fred Von Lohmann, *Unintended Consequences: Twelve Years After the DMCA*, ELEC. FRONTIER FOUND. (Feb. 2010), <https://www.eff.org/files/eff-unintended-consequences-12-years.pdf>.

<sup>21</sup> Peter Jenner, *Copyright in the Digital Age Benefitting? Users and Creators*, 8(2) REVIEW OF ECONOMIC RESEARCH ON COPYRIGHT ISSUES, 55(2011).

<sup>22</sup> *USA v. Elcomsoft & Dmitry Sklyarov eBook Reader*, N.D.Cal., 203 F.Supp.2d 1111 (2002).

<sup>23</sup> *Sony Computer Entertainment America LLC v. George Hotzet. al.*, D.Cal., Case No. 11-cv-000167 SI.

*reproducing copies of any work, and any matrix or other appliance by which sound recording for the acoustic presentation of the work are or are intended to be made.*” In other words, plates include devices that aid the reproduction (or duplication) of existing copyright-protected works. However, technology, the purpose of which is not to make copies but to prevent unauthorised access to the copyright-protected work, does not fall within the ambit of ‘plates’ as all the devices that come within its purview are capable of making copies.<sup>24</sup>

This gap in the protection extended to technology, wherein copy control technology is protected by ‘plates’ but not the access control technologies, which, in the digital context, appears to have paved the way for a specific provision dealing with technological measures and circumvention. This was also required as an equation of plates and circumvention technology in the digital context also adversely affects the rights of third parties to use copyright-protected works for enjoyment and enrichment.<sup>25</sup> Therefore, a separate provision was required to accommodate ever-evolving circumvention technologies such that the rights of the copyright owners are balanced with the interests of the society in accessing the protected work or information.

#### **A. Decoding Section 65A of the Copyright (Amendment) Act, 2012**

The Indian Copyright (Amendment) Act, 2012 expressly recognised legal protection for technological measures in digital context *via* Section 65A after learning from the experiences of the United States, European Union and Australia where the anti-circumvention provisions were statutorily recognised at least a decade before the 2012 amendment. Thus, it made the Indian copyright law compatible with the World Intellectual Property Organisation (‘WIPO’) Internet Treaties – World Intellectual Property Organisation Copyright Treaty (‘WCT’) and the World Intellectual Property Organisation Performances and Phonograms Treaty (‘WPPT’)<sup>26</sup> It is thus, discerned that taking into consideration the various international standards and practices allowed the lawmakers to use the WIPO flexibilities in striking a balance between the rights of the owners of the copyright and the public interest.<sup>27</sup>

##### *1. What led to the incorporation of anti-circumvention laws in India?*

The Copyright (Amendment) Act, 2012, was passed due to considerable pressure on the Indian legislature from various quarters, both at domestic and international level by the right-holders and trading partners, to incorporate anti-circumvention provisions as even the WIPO Internet

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<sup>24</sup> Ragavi Ramesh, *Balancing Protection and Access in Digital Locks: Analysing Recent Amendments in Indian Copyright Law*, 3 NAT’L L. UNIV. DELHI STUD. LJ 84 (2014).

<sup>25</sup> *Id.*

<sup>26</sup> Copyright (Amendment) Act, 2012, No. 27, Acts of Parliament, 2012 (India).

<sup>27</sup> Barooah, *supra* note 5.

Treaties (which stipulate a minimum standard of legal protection that is to be accorded to TPMs) were not binding upon India in 2012. USA's Special 301 Report routinely placed India on its priority list and emphasised the failure of Indian Copyright law to include anti-circumvention provisions.<sup>28</sup> In addition to that, Consumer International in the *IP Watchlist Report 2009 to 2012* ranked India amongst the top 3 pro-consumer copyright regimes which further enraged developed countries like the USA where the copyright regime is more pro-industry.<sup>29</sup>

There was also strong pressure exerted by right-holders on the government to introduce anti-circumvention provisions, as can be discerned from the view expressed by various stakeholders recorded in the Parliamentary Standing Committee Report.<sup>30</sup> The majority of the stakeholders – comprising mainly of the film, music and publishing industries - in the consultation process, with the exception of Yahoo India and Google India,<sup>31</sup> lobbied for stringent anti-circumvention provisions.<sup>32</sup> The committee, however, noted that public interest in accessing digitally protected works cannot be compromised unreasonably. Learning from the abuse of anti-circumvention provisions in developed countries like USA, EU, etc. where such provisions have been abused to block research and development, innovation as well as create monopoly rule over information and knowledge, and also factoring in the socio-economic status of the Indian population, the Standing Committee observed that the Indian law would prevent circumvention of TPMs but without compromising public interest.<sup>33</sup> Consequently, Section 65A was worded as follows:

*“Any person who circumvents an **effective** technological measure applied for the purpose of protecting any of the rights conferred by this Act, with the **intention** of infringing such rights, shall*

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<sup>28</sup> Office of the United States Trade Representative, *Special 301 Report*, (April 30, 2009), <https://ustr.gov/sites/default/files/2009%20Special%20301%20Report%20FINAL.pdf>.

<sup>29</sup> Mark Perry, *Towards Legal Protection for Digital Rights Management in India: A necessity or Burden?* (2011), [https://www.academia.edu/12343232/Towards\\_Legal\\_Protection\\_for\\_Digital\\_Rights\\_Management\\_in\\_India\\_Necessity\\_or\\_Burden](https://www.academia.edu/12343232/Towards_Legal_Protection_for_Digital_Rights_Management_in_India_Necessity_or_Burden).

<sup>30</sup> Parliamentary Standing Committee on Human Resources Development, *277th Report on the Copyright Amendment Bill 2010* (Nov. 23, 2010), <http://www.prsindia.org/uploads/media/Copyright%20Act/SCR%20Copyright%20Bill%202010.pdf>.

<sup>31</sup> Both Google India and Yahoo India emphasised upon the importance of reasonable restrictions and fair use of copyright protection during the consultation process. They opined that anti-circumvention provisions often exceed the stated objective of protecting the works of the right holders from unauthorised access “*by technologically blocking even legitimate activities which users are otherwise permitted to do under copyright law.*”

<sup>32</sup> The Indian Broadcasting Federation asked for increasing the term of imprisonment from 2 to 3, and making the offence of circumvention cognizable and non-bailable. They also argued or shifting the “burden of proof” to the infringer. The Business Software Alliance supported the inclusion of both civil and criminal liability upon the infringer to make the Indian law compatible with WIPO Internet Treaties. the right-holder sought to criminalize the mere act of interfering with TPMs.

<sup>33</sup> Wencke Basler, *Technological Protection Measures in the United States, the European Union and Germany: How Much Fair Use Do We Need in the Digital World*, 8 VA. J. L. & TECH. 1 (2003).

*be punishable with imprisonment which may extend to two years and shall also be liable to fine.*" (Emphasis supplied)

2. *Subject-matter of Section 65A of the Copyright (Amendment) Act, 2012*

Section 65A was primarily enacted to curb the piracy of protected works in the digital environment. The provision, while incorporating anti-circumvention laws in India, makes any person, who intentionally circumvents an effective technological measure, criminally liable. It is also clear from the wording of the provision that, the application is restricted to rights expressly granted under the Indian Copyright Act, 1957. In that regard, the provision under Indian law is closer to its EU counterpart, as the EU Directive<sup>34</sup> too, extends legal protection to technological measures that protect works covered by copyright law.<sup>35</sup> Unlike the EU, the US provision prohibits the very act of interfering/circumventing TPMs. This provision of the US has been widely criticised for overstepping the requirements prescribed by the WIPO Internet Treaties.<sup>36</sup>

The practical implication of adopting the Indian approach is that circumvention of the technological measure is not *per se* illegal if the content that is protected by the TPM is not protected by the copyright law, thus ensuring that "*all the limitations and fair dealing provisions applicable to works in which copyright subsists shall continue even when TPMs are used.*"<sup>37</sup> On the other hand, as per the provision contained in the DMCA "*there is no direct link between circumvention and infringement, leading to a situation where the remedy can be granted under the copyright regime even in the absence of copyright infringement.*"<sup>38</sup> Statutorily providing that circumvention is necessarily linked with copyright infringement avoids abusing these technological safeguards for anti-competitive activities. Thus, by linking circumvention with infringement Indian law has done better in comparison to the USA.

Further, Indian anti-circumvention provisions take into consideration the intention of the copyright infringer, unlike the USA which is not at all concerned with the intention of the infringer.<sup>39</sup> European Union, on the other hand, *as per* the EU Directive 2001/29 is concerned

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<sup>34</sup> Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the Harmonisation of certain aspects of copyright and related rights in the information society, art. 6 (3), 2001 O.J. (L 167).

<sup>35</sup> Fred Von Lohmann, *Unintended Consequences: Twelve Years After the DMCA*, ELEC. FRONTIER FOUND. (Feb. 2010), <http://www.eff.org/files/eff-unintended-consequences-12-years.pdf>.

<sup>36</sup> John A Rothchild, *The Social Costs of Technological Protection Measures*, 34 FLA. ST. U. L. REV. 1181 (2007).

<sup>37</sup> Venugopal K. Unni, *Indian Copyright Law and anti-circumvention provisions: can a please-all regime meet global yardsticks?*, 10(5) J.INTELL.LECTUAL PROP. L. & PRACTICE 336 (MAY, 2015).

<sup>38</sup> D. L. Burk, *Anti-circumvention Misuse*, 50 U.C.L.A. L. REV. 1095 (2003).

<sup>39</sup> Intention means, "A purpose or desire to bring about a contemplated result or foresight that certain consequences will result from the conduct of the person" as contained in G. WILLIAMS, *TEXTBOOK OF CRIMINAL LAW*, 75 (2<sup>nd</sup> edn., 1999).

with the knowledge on part of the infringer. However, relying on ‘knowledge’ standard to attach liability for circumvention is misplaced in the digital arena, for a person can be held liable even though a particular result was not desired by him/her, if knowledge or mere awareness of the consequence of an act is established.<sup>40</sup> Thus, by placing reliance on ‘knowledge’ as the requisite mental element for deciding liability would lead to every act of circumvention attracting liability irrespective of the purpose of such circumvention.

In addition to that, the Indian framework prohibits the circumvention of an effective technological measure and imposes liability on the person “who circumvents”, thus takes facilitation of circumvention out of the scope of Section 65A. Therefore, “*the act of circumvention is prohibited but not the tools per se*”<sup>41</sup> although liability for abetting infringement can still be imposed on such persons. In this regard, the Indian provision is better in comparison to EU Directive 2001/29 and DAA which impose liability on people who facilitate circumvention of TPMs<sup>42</sup> For instance, Section 65A takes into consideration situations where a person, for example, a blind person, may be required to circumvent a TPM even for the legitimate exercise of his right to use the material but may not possess the technical expertise to do. In such a scenario, the assistance of a third party may be required, and the Indian law accommodates the same.<sup>43</sup> Section 65A refers to third parties that facilitate such circumvention and exempts them from liability if they maintain the records of the purpose and person who asked for circumvention.<sup>44</sup> This aspect of maintaining records by facilitators requires a reconsideration for given the size of the Indian population and that the practice is largely self-administered, its proper implementation seems like a logistical nightmare.

### 3. *Many terms have been consciously left undefined in Section 65A to avoid complexity?*

Section 65A of the Indian Copyright (Amendment) Act, 2012 uses the terminology “effective technological measure” but does not define it. Corresponding provisions in the WIPO Internet Treaties,<sup>45</sup> left these terms undefined in order to allow member states to interpret them keeping the domestic interests and needs in mind. Unlike India, the USA under Section 1201(a)(3)(B) of the Digital Millennium Copyright Act, 1988 and Australia under Section 10(1) of the Digital Agenda Act, 1968 guide the interpretation of ‘effective technological measure’ in the context of

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<sup>40</sup> *Id.*

<sup>41</sup> Unni, *supra* note 37.

<sup>42</sup> Basler, *supra* note 33.

<sup>43</sup> Unni, *supra* note 37.

<sup>44</sup> *Id.*

<sup>45</sup> WIPO Copyright Treaty, art. 11, Dec. 20, 1996, 36 I.L.M. 65 (2002),

<http://www.wipo.int/lea/docs/en/wo/wo033en.htm>; WIPO Performances and Phonograms Treaty, art. 18, Dec. 20, 1996, 36 I.L.M. 76 (2002), <http://www.wipo.int/lea/docs/en/wo/wo034en.htm>.

access control. The European Union *via* the EU Directive 2001/29 enumerates technologies like scrambling, encryption, etc. to be ‘effective’ technological measures.<sup>46</sup>

The Indian legislature has left these terms undefined, possibly to keep TPM “technologically neutral” and leaving interpretation of these terms large to the judiciary on a case to case basis.<sup>47</sup> However, the absence of these definitions creates a gap in the intention of the legislature and interpretation of that intention by the courts and also adds a layer of uncertainty. For example, the inclusion of the term “effective” before ‘technological measure’ is confusing as to, first, how can an actually ‘effective’ measure be circumvented? Second, what is the standard of measuring this “effectiveness”?

In the US, *as per* Section 1201(a)(3)(B) of DMCA, a technological measure is effective if in the ordinary course of its operation, it limits access to the protected work. In brief, the standard in the US to measure the effectiveness of a TPM is the intention of the copyright holder to use such measures to protect its work.<sup>48</sup> As per the EU Directive 2001/29, under Article 6(3) a TPM is effective if it achieves the intended protection.<sup>49</sup> The Indian provision, however, is completely silent on the basis of differentiating between ‘effective’ TPM and a non-effective TPM<sup>50</sup> and left it entirely for the judiciary to adjudicate upon policy matters like these which is not a very wise approach. Some form of legislative guidance with respect to the identification of effective technological measures should be provided to avoid unnecessary conflicting interpretations by the courts.<sup>51</sup>

#### 4. *Express Exceptions under Section 65A vis-à-vis Section 52 of the Indian Copyright (Amendment) Act, 2012*

In order to balance the interests of copyright owners and the public, the copyright law exempts

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<sup>46</sup> M Fallenbock, *The Digital Millennium Copyright Act, the European Community Copyright Directive and Their Anticircumvention Provisions*, 7 INT’L. J. COMM. L. & POL’Y (2002–3).

<sup>47</sup> Pranesh Prakash, *Technological Protection Measures in the Copyright (Amendment) Bill, 2010*, CENTRE FOR INTERNET AND SOCIETY (April 28, 2010), <https://cis-india.org/a2k/blogs/tpm-copyright-amendment>.

<sup>48</sup> Fallencovk, *supra* note 44.

<sup>49</sup> Basler, *supra* note 31.

<sup>50</sup> B.V. Rajasingh, *India Enacts Laws to Protect Copyright over Digital Content*, 8(4) J. INTELL. PROP. L. & PRAC. 265 (2013).

<sup>51</sup> Baroah, *supra* note 5. It is opined that while providing guidance for interpreting these terms, they should be measured against an average consumer and not an expert. That is if an average consumer is able to circumvent a TPM than that should no longer be considered effective. Further, who constitutes an average consumer should be determined at the relevant time of circumvention.

In addition to that, since courts in India are slow to react to technological challenges (and the more universal problem of law always playing catch-up to technology) it may be a good idea to invest the Indian Copyright Office with the task of reviewing exceptions to such anti-circumvention laws on a periodic basis. This would be identical to the current practice followed in the United States where the Librarian of Congress, every 3 years, announces the exceptions to the DMCA by establishing the ‘Rules for Exemptions Regarding Circumvention of Access-Control Technologies’.

certain acts from the purview of anti-circumvention provisions.<sup>52</sup> Section 65A makes it explicit that technological measures are protected by legal sanction only when circumvention would result in infringement as *per* Section 51 of the Copyright Act, 1957 which specifically lists the activities that are expressly prohibited by the Indian Copyright framework.<sup>53</sup> This provision recognises that certain activities, as provided for in Section 52 of the Indian Copyright Act, 1957, are not considered to be infringing upon the right of the owners of copyright and hence are permissible. Section 52 enumerated fair deal exceptions under Indian copyright regime which includes,

*“reproduction for fair use in literary, dramatic, musical and artistic work; for cinematograph film; for private use including research, criticism and review; for purpose of reporting current events, for legislative and judicial proceedings; for educational and instructional purposes; for libraries; communication of the work through reading and recitation in public of reasonable extracts; by amateur clubs; religious institutions; etc.”*

For any of these above stated purposes an effective technological measure can be circumvented.<sup>54</sup> Under Section 65A (2)(b) of the Copyright (Amendment) Act, 2012 encryption research has also been exempted from attracting liability following the DMCA and the Australian model.

From the exceptions provided under Section 65A, it becomes abundantly clear that the Indian regime follows the principle that the purpose of copyright law is to prevent infringement of copyright. In this pursuit of avoiding copyright infringement, technological measures can be employed to make infringement less feasible. However, infringement of copyright is distinct from infringement of technology, and in the context of India, liability is imposed for the former. The latter is considered only if it results in infringement of copyright.

##### 5. *Indian Anti-circumvention provisions are not anti-copyright holders*

Anti-circumvention provisions in India attempt to strike a fair balance between the conflicting interests of two groups: the copyright owners and the consumer. However, the law is seen as largely pro-consumer legislation, but the same is not at the cost of the interests of the copyright holders. In fact, the rights of the creators to avail TPM protection have been upheld by the courts even before the incorporation of Section 65A in 2012. In *Sony Computer Entertainment*

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<sup>52</sup> The Copyright Act, 1957, § 65A(2), No. 27, Acts of Parliament, 1957 (India).

<sup>53</sup> Majority of such prohibited activities are the ones that make *unauthorized* use of protected works which cause economic loss to owner of the copyright. See Prakash, *supra* note 47.

<sup>54</sup> Zakir Thomas, *Overview of Changes to the Indian Copyright Law*, 17(4) J.INTELL. PROP. RTS. 324-334 (2012).

*Europe Ltd. v. Harmeet Singh and others*,<sup>55</sup> the court issued an *ex parte* injunction as it was convinced that the defendant had circumvented the TPM used by the plaintiff to create an infringing copy. Thus, anti-circumvention provisions under the copyright law and judicial approach towards the same is not to deny right holders the protection but only to balance their rights with those of the users as *per* the mandate of the WIPO Internet Treaties.

#### IV. INDIA'S ACCESSION TO THE WIPO INTERNET TREATIES

In July 2018 India acceded to the WIPO Internet Treaties – WIPO Copyright Treaty, 1996 (“WCT”) and WIPO Performance and Phonograms Treaty, 1996 (“WPPT”) in furtherance of the objectives laid in the National Intellectual Property Rights (IPR) Policy adopted by the Government of India on 12<sup>th</sup> May 2016 which “*aimed to get value for IPRs through commercialization by providing guidance and support to IPR owners about commercial opportunities of e-commerce through the internet and mobile platforms.*”<sup>56</sup>

Though Section 65A is largely in compliance with the standards laid down by these Internet Treaties, there was no legal obligation on the part of India to do so prior to accession. But, with India's accession to these treaties, there is likely to be an adverse impact on Section 65A's progressive and fair provisions aimed at balancing copyright owners' interests in the realm of copyright infringement and digital piracy, which has grown exponentially with the development of cyberspace, and the public's interest in the digital era.<sup>57</sup> Therefore, pro-industry lobbyists like the US and EU are likely to challenge India's domestic anti-circumvention provisions for being 'inadequate' and diluting the rights of the copyright owners more than what is the practice in most countries of the world.<sup>58</sup> For example, US law on TPM under Section 1201, Title 17 of the United States Code prohibits circumvention of effective technological measures as well as prohibits trafficking in 'circumvention devices.' Trafficking in circumvention devices/technology implies “*manufacture, sale, import or rental of such technology which is primarily designed for circumvention of devices or technology which has a very limited commercial purpose other circumventing TPM.*”<sup>59</sup> Thus, any kind of circumvention and trafficking in circumvention technologies are prohibited.<sup>60</sup> However,

<sup>55</sup> Sony Computer Entertainment Europe Ltd. v. Harmeet Singh and others, CS(OS) 1725/2012. See Amlan Mohanty, *Sony Play stations to be Illegal in India?- First Test of the Newly Inserted s. 65A of the Indian Copyright Act, 2012*, SPICY IP (2013), <http://spicyipindia.blogspot.com/2013/02/jailbreaking-sony-playstations-to-be.html>.

<sup>56</sup> See Press Information Bureau, Cabinet approves accession to WIPO Copyright Treaty, 1996 and WIPO Performance and Phonograms Treaty, 1996 (July 4, 2018), <https://pib.gov.in/newsite/PrintRelease.aspx?relid=180389>.

<sup>57</sup> Sheetal Chopra, *Inadequate Protection against Piracy: Copyright Amendments Inadequate*, 5 INDIAN J. INTELL. PROP. L. 20 (2012).

<sup>58</sup> *Id.*

<sup>59</sup> Sony Computer Entertainment America Inc. v. Game Masters, 87 F. Supp. 2d 976 (N.D. Ca. 1999).

<sup>60</sup> Robert C Denicola, *Access Controls, Rights Protection, and Circumvention: Interpreting the Digital Millennium Copyright Act to*

Section 65A of the Indian Copyright (Amendment) Act, 2012 does not prohibit trafficking in circumvention technologies so as to not cause hindrance in the development of technology. Allegations of similar nature are likely to be levelled against India, now that it would have a recognisable obligation to adequately protect technological measures. India will have an obligation to strengthen anti-circumvention provisions in order to protect the interests of the right holders but this will be done at the cost of users' right to reasonable restrictions and fair use.<sup>61</sup>

## V. CONCLUSION AND RECOMMENDATIONS

Section 65A embodies that striking a fair balance between the protection of copyrighted works from unauthorised access and piracy as well as access rights of the public *via* anti-circumvention provisions is not practically impossible. The use of technological measures without safeguards can lead to abuse of technology by the copyright owners by obstructing the rights of the users.<sup>62</sup> Thus, by connecting copyright infringement to circumvention, the scope of Indian anti-circumvention has been restricted to avoid abuse unlike the provisions contained in the EU Directive 2001/29 and the DMCA which incline disproportionately towards the right holders at the cost of the public. Developed countries, for instance USA under Section 1201 of the Digital Millennium Copyright Act,<sup>63</sup> by not-linking infringement to circumvention have led to the abuse of anti-circumvention provisions in the form of perpetual copyrights, monopoly rule, unfair restrictions on the access rights of the users, etc.<sup>64</sup> They further raise questions of consumer's ownership rights and fair usage, as excessive restrictions are placed through these digital locks. For instance, when Microsoft closed its eBook store in 2019 and closed its servers, books purchased by its customers also ceased to exist and they were refunded for it.<sup>65</sup> However, it still left the larger question of consumer ownership over those books unanswered. The limited remedy of "fair use" failed to protect the consumer and their ownership rights.

Learning from the experiences of developed countries, India sought to avoid the problem by

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*Preserve Non-infringing Use*, 31 COLUM. J. L. & ARTS 209 (2008).

<sup>61</sup> Unni, *supra* note 37. India should be ready to firmly counter these allegations by using the provision of the WIPO Internet Treaties which provide countries the leeway to determine the type and extent of protection to be accorded to TPM in domestic statutory provisions (Art. 10 WCT), and that countries like US have in fact exceeded the minimum requirement under these treaties to establish a pro-industry regime which is better suited its demographic than that of a developing country like India.

<sup>62</sup> Marlice Jansen, *Protecting Copyright on the Internet*, 12 J. BUS. L. 100 (2004).

<sup>63</sup> Brian Leubitz, *Digital Millennium - Technological Protections for Copyright on the Internet*, (2003) 11 TEX. INTELL. PROP. L. J. 417.

<sup>64</sup> Burk, *supra* note 38.

<sup>65</sup> Mike Masnick, *You Don't Own What You've Bought: Microsoft's Books Will Stop Working*, TECHDIRT (2019), <https://www.techdirt.com/articles/20190701/17405342503/you-dont-own-what-youve-bought-microsofts-books-will-stop-working.shtml>.

adopting a different approach of linking circumvention with infringement as well as increasing the scope of Section 52 which deals with “fair dealing”. The said approach encourages the spread of knowledge and information but not legitimising *unauthorised* use of copyrighted material, and is better suited to the socio-economic condition of a developing country like India.

However, though the Indian approach better balances the rights of the public with that of the copyright owner, it still is not *‘full proof’*. The India legislature, thus, should take into consideration the following recommendations to improve upon the existing provision:<sup>66</sup>

- (1) Define terms like ‘effective’, ‘technological measure’, etc. in the statute. It would also be appropriate to provide legislative guidelines with respect to the standard of ‘effectiveness’ such as a technological measure capable of being circumvented by common man should not be considered effective. Further, a practice similar to the USA where the Library of Congress announces exception to outdated technology every 3 years can be adopted to introduce some degree of certainty in the dynamic area of policy making.<sup>67</sup>
- (2) Replace criminal liability with civil liability as the former is excessive, and lacks commercial prudence. As Section 65A of the Indian Copyright Act makes the intention to circumvent an ‘effective’ TPM a criminal offence punishable with imprisonment to prevent digital piracy, it increases the burden of proof on prosecution’s side as mere circumvention without the requisite intention does not attract criminal liability. In addition to adding to the burden of courts in India to adjudicate matters of individuals violating or infringing circumvention for personal use and not for profits or public dissemination, as most cases are likely to be. Lastly, as a matter of principle criminal liability should be resorted to for more reprehensible wrongful acts committed against the society at large, and not in cases such as the one in question where an injunction and damages for the loss caused serves as a more prudent remedy than imprisonment.
- (3) Transitioning from merely protecting fair use rights of the users to casting an active obligation upon copyright owners, who use TPMs to protect their works, in ensuring that fair use rights are exercised by the users. This is possible by providing circumvention means to the users falling within the ambit of fair dealing provisions.<sup>68</sup> Application of this obligation would also require active disclosure of employment of technological measures

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<sup>66</sup> S. Pandit, *Evolving an Indian Anti-Circumvention Law: Lessons from the United States and Japan*, 30(6) EIPR 244, 249 (2008).

<sup>67</sup> J.H. Reichman *et al.* *A Reverse Notice and Takedown Regime to Enable Public Interest Uses of Technically Protected Copyrighted Works*, 22 BERKELEY TECH. L.J. 981 (2007).

<sup>68</sup> See Prakash, *supra* note 47.

by the copyright owners to the users<sup>69</sup> as well as providing support services to facilitate circumvention for a legitimate purpose. For instance, by facilitating an e-book buyer to manipulate, in terms of note-making, annotation, *et cetera*, her copy protected by a TPM by the seller himself would enable better exercise of consumer rights. This would also reduce the potential security risks associated with the use of TPMs, as the customers would no longer resort to unethical or unsecured means of circumventing the TPMs to suit their personal requirements.<sup>70</sup>

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<sup>69</sup> Robert C Denicola, *Fair's Fair: An Argument for Mandatory Disclosure of Technological Protection Measures*, 11 MICH. TELECOMM & TECH. L. REV. 1 (2004).

<sup>70</sup> Pamela Samuelson & Jason Schultz, *Should Copyright Owners Have to Give Notice about their Use of Technical Protection Measures?*, UC BERKELEY L. REV. 48 (2013).

**JUXTAPOSITION OF PATENT AND BIOTECH INVENTIONS: AWAITS ANSWER ON NEW  
TRENDS**

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*ABSTRACT*

*“I think biomarkers are patentable, depending on how they’re claimed.”*

— Rochelle K. Seide

*How will today's biotechnological inventions withstand the sea of change in intellectual property law? Most likely, the answer will vary from one invention to the next – according to which side of the litigation it falls on. Repercussions from recent patent cases in the different jurisdictions continue to be felt in a variety of ways. But for biotech patents, the movement has yet to crystallise into definitive guidelines issued by the courts. The concern is that changes in patent law may ultimately come at the expense of innovation within the industry. Thus, the paper aims at the proper understanding of the latest trends in biotech patents.*

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## I. INTRODUCTION

The technology has generally been associated more with chemistry and physics and less with the biology. The Organisation for Economic Corporation and Development (“OECD”) defined biotechnology as “the application of science and technology to living organisms, as well as parts, products and models thereof to alter living and non-living materials for the production of knowledge goods and services”.<sup>1</sup>

The existing intellectual property laws struggle to cope up with the challenges posed by the technological advances as they were framed in an age when these advances were not foreseen by the framers. The traditional doctrines of intellectual property laws have been extended to new subject matters such as genes, proteins, and other unicellular and multi-cellular living organisms, which previously remained outside the grab of intellectual property law. Moreover, rapid advances in genomics have raised the intellectual property protection debate for scientific information. Intellectual property rights (“IPR”) developers and holders claim that new technologies such as biotechnology fall within the existing bundle of the IPR, while end-users assert that technological change is so significant that contemporary intellectual property laws do not apply.

## II. BIOTECHNOLOGY AND PATENTS: FRENEMY RELATION

One of the most contentious issues in biotechnology-IPR is the disclosure in the patentability of biotechnology. The traditional patent doctrine, patentable subject matter, novelty, non-obviousness (inventive step), utility (industrial applicability) and written description, struggle while dealing with the biotechnology inventions, especially genetic inventions. Human genes have become one of the most controversial subject matter of patent law because of its diverse nature.

One of the common objections against the gene patents is that genes are naturally occurring entities that are there to be discovered but not invented. In the context of gene patents, the line between discovery and invention is very thin and sometimes even discoveries are patentable through a broad interpretation of patent laws. With the development of genomics and the success of the human genome project, a gene becomes more important because of its informational content rather than its material qualities. Here the question arises, whether a gene as information is a patent-eligible subject matter or not. Some critics see it as a departure from the traditional patent doctrine which is based on an agreement to disclose information in

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<sup>1</sup>Organisation for Economic Co-operation and Development [OECD], Glossary of Statistical Terms (May 2001), <https://stats.oecd.org/glossary/detail.asp?ID=219>.

exchange for giving the inventor right over material invention.<sup>2</sup>

They also argue that a gene being patentable subject-matter as information would not only challenge the traditional patent system, but also pose a great challenge to those who need access to information.<sup>3</sup> Further owning or treating genetic material as a property is a concern which could lead to monopolies exhibiting unethical behavior in healthcare and other industries.

On the legal end, genetic patents are currently on the hot seat in the courtrooms with some patents being upheld, others not. Many academics feel that the legal patent requirements of “utility,” “non-obviousness” and “sufficiently isolated or transformed” are not being appropriately met and that there should be a higher standard for patent acceptance.

The evolving jurisprudence of gene patent stems from the biotech patent practices of different countries. The scope and coverage of biotechnology patents vary from country to country. Even in the countries having similar patent laws, such as the United States of America and Canada, the judicial interpretation of the courts differ significantly, and it is the judicial decisions rather than the legislative efforts that have shaped the fate of biotechnology patents in both the countries.

In Europe and India, significant legislative efforts have provided elaborate legislative provisions regarding biotechnology patents. Both Europe and India have a list of patentable and non-patentable subject matter in their respective legislations. These jurisdictions contain the *ordre public* and *morality* clauses to check the patentability of biotechnological inventions whereas the USA and Canada lack such provisions in their patent laws.

...Statutory provision regarding the public order or morality exclusion under the Indian Patents law states that “*an invention the primary or intended use or commercial exploitation of which could be contrary to public order or morality or which causes serious prejudice to human, animal or plant life or health or to the environment*”.<sup>4</sup>

... Statutory provision regarding the public order or morality exclusion under the European Patent Convention states that patents ‘*shall not be granted in respect of inventions the commercial exploitation of which would be contrary to “ordre public” or morality and that ‘such exploitation shall not be deemed to be so contrary merely because it is prohibited by law or regulation in some or all of the Contracting states.*’<sup>5</sup>

Kailash Choudhary states that “United States of America never had an exception of morality or

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<sup>2</sup>Kshitij Kumar Singh, *Biotechnology and Intellectual Property Rights: Legal and Social Implications* (2015).

<sup>3</sup>*Id.*

<sup>4</sup>The Indian Patent Act, 1970, No. 39, Acts of Parliament, 1970, § 3 (India).

<sup>5</sup>Convention on the Grant of European Patents, art 53, Oct. 5, 1973, 1065 U.N.T.S. 199.

*ordre public* in their patent laws however, such requirement was fixed by the courts but the same was rarely used. The United States Patents and Trademark Office (“USPTO”) in the late nineties invoked the Moral Utility Doctrine in order to check the controversial applications related to biotechnology inventions. However the courts criticised this because according to them, it is the legislature and not the executive which can define the boundaries of the law. Hence there are very a few examples where the morality exception was raised by the USPTO.”<sup>6</sup>

Patenting of genetically engineered mouse called Harvard Oncomouse received different responses in the USA, Canada and Europe which demonstrates diverse patent approaches towards higher life forms.

“In the case of OncoMouse, the exclusion under Article 53(a) of the EPC was argued for the first time. In this case, the subject matter of patent application was a mouse which has been genetically modified to carry an oncogene in order to make them more vulnerable to cancer. The object of the invention is to use these modified mice in cancer research. Upon examination of the application, the EPO rejected the application stating that the animal varieties are not patentable. However, on appeal the Technical Board of Appeal applies the morality clause under Article 53(a). The technical board is of view that genetically modifying a mammal and that to ensure that it will develop cancer was very problematic as the same cause suffering to the animal. However, the Board of Appeal forwarded the application back to the examination division stating that while considering morality, the Office should balance inventions utility to mankind with the suffering caused to the animals. The Board accordingly held the genetically modified mouse to be patentable on the grounds that the same was for the benefit of humanity.”<sup>7</sup>

The Supreme Court of America in, *Association for Molecular Pathology et al vs. Myriad Genetics, Inc., et al*<sup>8</sup>, had made no mention of “human” v/s “non-human” DNA in their decision and simply ruled that naturally occurring DNA sequencings are ineligible to be patented. The court also held that complementary DNA (C-DNA) can be patented because it does not occur in nature. It is the transcript of natural protein encoding DNA sequence from which non-coding sequences called intron have been removed.

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<sup>6</sup>Kailash Choudhary, *Ordre Public and Morality Exclusions from Patentability* (2012).

<sup>7</sup>*Harvard College v. Canada (Commissioner of Patent)*, 2002 SCC 76 (Can.). See also, Board of Appeal of the European Patent Office, (July 6 2004), available at <http://www.jurisdiction.com/harvardvcanada.html>.

<sup>8</sup>*Association for Molecular Pathology et al. v. Myriad Genetics Inc.*, 569 U.S. 576 (2013).

“...The Supreme Court held that naturally occurring gene sequences, and their natural derivative products, are not patent eligible. Under S. 101 of the Patent Act, the discovery of natural products does not warrant a patent. However, the Court also held that the creation of a new product in a lab exempts that product from being a product of nature. Therefore, gene sequences refined by synthetic processes to create molecules that do not occur naturally are patent eligible.”<sup>9</sup>

In 1980, the Supreme Court decided in the famous, *Diamond vs. Chakraborty*<sup>10</sup>, that a new strain of bacteria produced artificially (by bacterial recombination, not genetic engineering) was a patentable invention. Although Chakraborty’s bacteria did not produce a useful product, they had the useful property that they could feed on and so disperse, oil slicks. Since the product which could be sold would be the bacterial strain itself, it was important to have a per se claim to the micro-organism.

“... Alive, man-made microorganism is a non-naturally occurring composition and therefore may be patented. Resolution of this issue is, regardless of its philosophical implications, strictly a matter of statutory construction. The relevant statute here, 35 U.S.C. § 101, defines as patentable any new and useful “manufacture” or “composition of matter,” among other things. It is a basic rule of construction that words are given their natural, ordinary meanings. There can be little doubt that microorganisms produced by recombinant DNA technology may be said to be manufactured and to be compositions of matter. For purposes of patent law, the fact they are alive is not relevant. Although it is true that naturally-occurring products may not be patented, a genetically-engineered microorganism is not naturally occurring. While this Court recognises that recombinant DNA technology is a controversial field, it is ill-equipped to balance the competing values and interests manifested therein; this is a task for Congress. Since the patent laws clearly include materials such as are at issue here within their scope, and no specific law exists to exclude it, the only appropriate holding is that recombinant DNA-produced microorganisms are patentable.”<sup>11</sup>

### **III. HUMAN GENETIC PATENTS: A NEW CHALLENGE TO BIOTECHNOLOGY PATENTS**

There are groups, which see the patenting of life forms such as the human gene plainly wrong and some others who do not consider it necessarily wrong but in terms of its consequences.

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<sup>9</sup>*Id.*

<sup>10</sup>*Diamond v. Chakraborty*, 447 U.S. 303 (1980).

<sup>11</sup>*Id.*

Sometimes the problem does not lie in the availability of the patents, but the way that granted patents are being asserted by the ruthless corporations to the detriment of the public and especially vulnerable people such as the patients.<sup>12</sup> The opposition was driven by a variety of concerns including the effects of such patenting on the environment, animal welfare, sustainable development, public health and patient's rights. One of the most fundamental objections regarding gene patents is based on religious conviction—the notion that humans are 'playing God'.<sup>13</sup>

As regards to patenting of a gene, it is always contended that a gene occurs naturally, hence it is the product of nature and is not new/novel. With the rapid advancement in the field of molecular biology and genetics, gene sequencing once considered as a laborious manual task has become a highly automated and routine part of laboratory practice.

This presents a great challenge to the inventive step/non-obviousness criterion. There is a significant challenge to the utility criterion as patents are being granted on gene fragments of unknown functions and gene sequences of limited or questionable utility. Since great uncertainty is involved in genetic technology, sometimes the description of an invention is not full. Many patents claimed are far more than what the inventor actually discovered (e.g. claiming the sequence of a protein within the patent and then also asserting rights over all the DNA sequences that encode that protein without describing those DNA sequences).<sup>14</sup> The unique nature of the science of genetics is the main reason for this failure.

Since a gene comprises a number of elements, therefore, it is possible that a number of patents could be granted in relation to one gene. For instance, in relation to a particular gene, patents could be sought for the full sequence of the gene, an expressed sequence tag ("EST"), a single nucleotide polymorphism ("SNP") or other variations of the gene, its promoter or enhancer, its individual exons or some other combination of the sequence.<sup>15</sup> Furthermore, a gene may be the subject of a product patent, process patent and use patent. For example, a product patent would cover the sequence itself which may be a product sold as a diagnostic tool to determine whether a particular gene is present or not.<sup>16</sup> There could also be a product patent asserting rights over a gene and its product protein. The scope of the product patent is relatively wide as it asserts rights

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<sup>12</sup>Timothy A. Caufield & Bryan William Jones, *The Commercialization of Genetic Research: Ethical, Legal, and Policy Issues* (1999).

<sup>13</sup>ALAIN POTTAGE, *THE INSCRIPTION OF LIFE IN LAW: GENES, PATENTS, AND BIO-POLITICS*, 61 *mod. l. rev.* 740 (1998).

<sup>14</sup>*Id.*

<sup>15</sup>Pottage, *supra note 13*.

<sup>16</sup>*Id.*

over all the uses of that product.<sup>17</sup>

A process patent may apply to some method of isolation and purification of a gene. As compared to a product patent, a process patent is unlikely to assert rights over the sequence of the gene itself. However, if the gene or protein is an element of a process or method that is used to produce some other product, the process patent may assert rights over the sequence of the gene.<sup>18</sup>

The use patent relates to a specific use of a gene. It could take the form of the use of a gene or part of its sequence in the manufacture of medicine. It could also be framed in terms of the use of a gene for the diagnosis of a disease. The use patents in relation to gene and genetic components are very controversial due to their broad scope.<sup>19</sup> Commenting on the use patent practice of Myriad over BRCA 1, the Nuffield Council of Bioethics observed:

“A broad use patent for a diagnostic test for BRCA1 that referred specifically to breast cancer would give the owner rights over all testing for that genetic susceptibility to breast cancer but not for other diseases. However, the effect of the patent owner having broad property rights over the diagnostic use of the gene for just one disease, would be that the patent owner has the monopoly over all ways of testing for that disease. This is because, even though the use patent does not include the sequence itself in the patent claims, in practice any other diagnostic test for the disease specified in a use patent would infringe that patent.”<sup>20</sup>

So, the actual scope of gene patents depends upon the extent of the analysis carried out by the examiner at the relevant patent office. In addition to this, with the recent advancement in the field of genomics, gene has become more important as information rather than as a tangible entity. This transformation raises the issue of patent eligibility of information, which has been excluded from patenting as ‘scientific truths and abstract ideas’.<sup>21</sup> Patenting gene as information has been viewed as a departure from the long-established patent practice.<sup>22</sup>

#### **IV. DESCRIPTION AND DEPOSITION REQUIREMENT**

As per Article 27(3)(b), of Trade Related Aspects of Intellectual Property Rights Agreement

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<sup>17</sup>See Timothy R. Holbrook & Mark D. Janis, *Patent-Eligible Processes: An Audience Perspective*, 17 VAND. J. ENT. & TECH. L. 349 (2015).

<sup>18</sup>Dan L. Burk, *Are Human Genes Patentable?*, 44 *int'l rev. intellectual prop. & competition l.* 747 (2013).

<sup>19</sup>*Id.*

<sup>20</sup>Dan L. Burk, *The Curious Incident of the Supreme Court in Myriad Genetics*, 90 NOTRE DAME L. REV. 505 (2014).

<sup>21</sup>James D. Watson et al., *Molecular Biology of the Gene*, (4th ED. 1974).

<sup>22</sup>Dan L. Burk & Mark A. Lemley, *Inherency*, 47 WM. & MARY L. REV. 371 (2005).

(“TRIPS”), microorganisms, non-biological and microbiological processes can be patented.<sup>23</sup> It is only given to those inventions that include genetic modification and inserts valuable characters in microorganisms that were initially not present in the natural form of that organism. This can be attenuation of bacterial strain, making it less infective which is required during vaccine preparation (such as the tuberculosis vaccine)<sup>24</sup>, or genetically modified oil-eating bacteria<sup>25</sup> etc. One of the mandatory obligations for the grant of a patent for an invention is its repeatability by a person who has knowledge in that field, with work related to non-biological in nature, testing of the invention is an easy process as most of the ingredients of work are stable in nature. However, working with microorganisms is a very different phenomenon as bacteria always change their character in native environment due to selective pressure making it difficult to repeat the experiment that was previously performed/claimed by the inventor. The approach developed to meet this problem is that of a deposition of the strain in a recognised culture and collection, which will maintain the strain in viable conditions and make samples of it available to the public. Under the US Patent law, the disposition had to be made on or before the U.S. filing date, but no access to the deposited strain need to be allowed until the patent was granted, whereupon it had to be made available unconditionally to the public. In 1985, in *Ex Parte Lundak*<sup>26</sup>, the Court of Appeal for the Federal Circuit held that it was not essential that the deposit be made by the date of filing of the application, so long as the applicant had the strain and could make it available to the USPTO upon request. Deposit could be made at any time during the pendency of the application, and the addition to the specification of information about the deposit did not constitute a new matter. The requirement that as on date of the grant, the strain must be publicly available from a recognised depository remained unchanged.

The majority of developed countries have now decided that the inventor must deposit microorganisms in pure and viable form for its patent purpose in a depository house also known as bacterial depository bank or International Depository Authority (“IDA”) as per the rules and regulations set by the international body in the form Budapest Treaty.<sup>27</sup> Further, single deposition of sample will be sufficient for its recognition for patent purposes by other countries that are part of this treaty.

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<sup>23</sup>K.D. Raju, *WTO and TRIPS Obligations and Patent Amendments in India: A Critical Stocktaking*, 9 JIPR 242 (2004).

<sup>24</sup>Sarman Singh et al., *Evolution of M. Bovis BCG Vaccine: Is Niacin Production Still a Valid Biomarker?*, 1 TUBERCULOSIS RESEARCH AND TREATMENT 1(2015).

<sup>25</sup>H.S. Chawla, *Patenting of Biological Material and Biotechnology*, 10 JIPR 44–51 (2005).

<sup>26</sup>*In Re Robert L. Lundak*, 773 F.2d 1216, (Fed. Cir. 1985).

<sup>27</sup>Budapest Treaty On The International Recognition Of The Deposit Of Microorganisms For The Purposes Of Patent Procedure, Apr. 28, 1977, [Hereinafter, “Budapest Treaty”].

“... In 1974, the Director General of WIPO convened a Committee of Experts to discuss the possibilities of international cooperation over the deposit of microorganisms for patent purposes. The essence of the solution prepared in discussions of this Committee was that certain culture collections should be recognized as depositary authorities and that a deposit made with any one of them should be recognized as valid for patent purposes by all the countries in which protection for the relevant invention was sought. The Committee of Experts also found that the conclusion of a treaty would be necessary to put this proposed solution into effect. ...The Diplomatic Conference, which was attended by representatives of 29 States members of the Paris Union for the Protection of Industrial Property and observers from two non-member States of the Paris Union, the Interim Committee of the European Patent Organisation, and non-governmental international organizations, adopted a treaty with the title “Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure,” together with Regulations under the Treaty.”<sup>28</sup>

It establishes a list of IDAs, a single deposit made at any of the signatory states will suffice for all.<sup>29</sup>

“... Under the Treaty, certain culture collections are recognized as “international depositary authorities” (IDA’s). Any Contracting State which allows or requires the deposit of microorganisms for the purposes of patent procedure must recognize, for those purposes, a deposit made in any IDA, wherever that IDA may be. Similarly, if any intergovernmental industrial property organization (e.g., the European Patent Office) files a formal declaration with the Director General of WIPO to the effect that, for its own patent purposes, it accepts the provisions of the Treaty and the Regulations, then it too must recognize a deposit made in any IDA.”<sup>30</sup>

“..Any culture collection can become an IDA provided that it has been formally nominated by the Contracting State on whose territory it is located and that that Contracting State has furnished solemn assurances that the collection complies

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<sup>28</sup>*Id.*

<sup>29</sup>World Intellectual Property Organization [“WIPO”], International Depositary Authority, *available at* <http://www.wipo.int/budapest/en/idadb/>.

<sup>30</sup>*Id.*

and will continue to comply with the requirements of the Treaty and the Regulations. The most important of these are that the IDA will be available on the same terms to any depositor, that it will accept and store microorganisms deposited with it for the full period specified by the Treaty, and that it will furnish samples of deposited microorganisms only to those entitled to receive them. An intergovernmental industrial property organization which has filed the declaration referred to in paragraph 6 similarly may furnish assurances in respect of a culture collection located on the territory of one of its member States.”

Budapest Treaty has given clear rules and regulations of creation and maintenance of an IDA, daily working protocol of an IDA and guidelines to the depositor. It was decided that each member country will make an IDA for microorganism’s deposition with the full infrastructural facility and that IDA will accept microorganisms from depositors of the native country as well as outside from country. One of the burning issues that were solved in this treaty was to stop multiple deposition of sample in more than one IDA for patent purpose. The treaty says that a single deposition of sample for patent purpose in an IDA will be enough to give recognition by other member countries of the Budapest treaty.<sup>31</sup>

Since India acceded and ratified the Budapest Treaty on December 17 2001, therefore biological material which is not available to the public, access to that material is available in the depository institution only after the date of the application of patent. The Controller General of Patents, Designs and Trademarks had issued a notification regarding the aforesaid, on July 2nd, 2014, which states as follows:

"According to the provisions of the Act, the deposition of such material in an International Depository Authority (IDA) under the Budapest Treaty shall not be later than the date of filing of patent application in India. However, the reference of deposition of biological material in the patent application shall be made within three months from the date of filing of such application as per Rule 13(8) of the Patents Rules, 2003.”<sup>32</sup>

In view of the above and according to the provision of Section 10 of Indian Patent Act, the

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<sup>31</sup>WIPO, Introduction to the Budapest treaty,

<http://www.wipo.int/export/sites/www/treaties/en/registration/budapest/guide/pdf/introduction.pdf>.

<sup>32</sup>Office of the Controller General Patents, Designs and Trade Marks, Government of India, No. CG/F/ Public Notice / 2014/22, (July 2<sup>nd</sup>, 2014), [www.ipindia.nic.in/writereaddata/Portal/News/159\\_1\\_115-public-notice-02july2014.pdf](http://www.ipindia.nic.in/writereaddata/Portal/News/159_1_115-public-notice-02july2014.pdf).

applicants should ensure that the deposition of the biological material to the IDA is made prior to the date of filing of patent application in India and the reference of such deposition in the specification is made within three months from the date of filing of such application, if the same is not already made. Further according to Section 10(4)(d)(ii), “if the applicant mentions a biological material in the specification which may not be described in such a way as to satisfy clauses (a) and (b), and if such material is not available to the public, the application shall be completed by depositing the material to an international depository authority under the Budapest Treaty and by fulfilling the following conditions, namely:-

- (A) the deposit of the material shall be made not later than the date of filing the patent application in India and a reference thereof shall be made in the specification within the prescribed period;
- (B) all the available characteristics of the material required for it to be correctly identified or indicated are included in the specification including the name, address of the depository institution and the date and number of the deposit of the material at the institution;
- (C) access to the material is available in the depository institution only after the date of the application of patent in India or if a priority is claimed after the date of the priority;
- (D) disclose the source and geographical origin of the biological material in the specification, when used in an invention.”<sup>33</sup>

#### **V. CONVENTION ON BIOLOGICAL DIVERSITY (CBD) AND IDA**

CBD was signed by more than 150 countries during the Earth Summit at Rio de Janeiro, Brazil in 1992.<sup>34</sup> The agreement gives the right to nations to conserve their biodiversity. The aim includes conservation of biological resources, sustainable use of biological diversity and equal sharing of benefit among the people who are using the genetic resources of biodiversity. IDA, which is used for safe and long-term deposition of microorganisms, can work as a preservation house for microbial population.<sup>35</sup> In view of the above situation, two organisations; World Federation of Culture Collections (“WFCC”) and World Data Centre for Microorganisms (“WDCM”) were established. The WFCC is an institution that helps in establishment of culture collections centres. It gives different guidelines for establishment, authentication and maintenance of cultures in culture centres. Also, it creates a platform for online networking

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<sup>33</sup>The Indian Patent Act, 1970, No. 39, Acts of Parliament, 1970, § 10.

<sup>34</sup>Convention on Biological Diversity, *History of the Convention*, <https://www.cbd.int/history/>.

<sup>35</sup> Abhishek Parashar, *International Depository Authority and its Role in Microorganism's Deposition*, 11(8) J. Clin, & Diagn. Res. DE01 (2017).

between culture centres for better communications. WFCC has created WDCM whose main role is to maintain statistical data of the culture collection centres which includes how many people are working, what kind of cultures are maintained in each culture centres, different facilities provided by culture centres etc.<sup>36</sup>

## VI. CONCLUSION

It may be concluded that since the biotechnology based processes and products have now assumed an increasing importance in the global economy, there is a definite need to globally harmonise policies and procedures in respect of protection of intellectual property. Especially in view of the fact that enterprises engaged in research will make investment only if strong legal protection is available for the result of their research and therefore the TRIPS agreement is a step forward in this direction. The IDAs also play an important role in conservation of biotechnological inventions. A culture collection centre not only stores valuable microorganisms but also stores other useful biological materials which can be used in research, agriculture, industry, and pharmaceutical sector etc. Everyday new microorganisms are being discovered and the IDA provides a platform for storage of these bacterial strains in pure form thus preventing the loss of biodiversity. The stored bacterial strains can further be utilised for research and potential application. To convert a culture collection centre into an IDA requires huge financial support, infrastructure and manpower which itself is a big challenge. The Budapest Treaty gives provisions for interstate deposition of microorganisms in an IDA. Valuable bacterial strains found in countries where there is no IDA can be deposited in IDA of other countries. It is important to understand that the misuse of IDA should also be avoided. IDA stores both pathogenic and non-pathogenic bacteria; pathogenic bacteria could be used in making biological weapons. In upcoming years, more and more countries will ratify the Budapest Treaty and give emphasis on storage of valuable microorganisms at culture collection centres for their better utilisation.

Biotechnological inventions were earlier interpreted in different ways by different patent offices of the world but discussions and unification of ideas have emerged in some cases while differences, on various aspects of protection of biotechnological inventions through patents and the Budapest Treaty, still persist. However, it remains to be seen how the issue of protection of biotechnological inventions by patents is dealt with by the policymakers of countries. It is expected in the near future that these will also be solved and common ground will be laid down in the context of the present TRIPS regulations.

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<sup>36</sup>Singh, *supra* note 2.

**PUBLICITY RIGHT IN INDIA: A MISCONCEPTION!****SIDDHARTH JAIN & SANYAM JAIN\****ABSTRACT*

*Publicity right was first introduced in India in the year 2002 in the landmark judgment of the Delhi High Court in ICC Development (International) v. Arvee Enterprises and Anr. For a considerable amount of time, there were no further judicial pronouncements on the same. However, post-2010, there have been a considerable number of suits for the enforcement of this right. An analysis of the Indian cases on publicity right leads to confusion as to what the nature and scope of this right are. It is observed that courts are interpreting this common law right (as recognised in the USA) as a facet of existing rights. Primarily this right is being interpreted in light of the personal right of privacy and not independent of it, blurring the difference between the two. Contrary to the practice adopted by the USA, India is yet to limit the scope of publicity as well. The article emphasises on the need to treat publicity right as a right independent of privacy by proposing the right to be treated as a property right, a practice which can be seen in the USA, the country from which the Indian courts adopted the right. It also highlights the lacuna of limitation on the said right in India.*

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## I. INTRODUCTION

With tremendous strides in communications, advertising, and entertainment techniques, the public personality has found that the use of his name, photograph, and likeness has taken on a pecuniary value undreamed of at the turn of the century.<sup>1</sup> Judge Holmes noted that, “*if one is popular and permits publicity to be given to one’s talent and accomplishment in any art or sport, commercial advertisers may seize upon such popularity to increase their sales.*”<sup>2</sup>

The whole debate around the protection of one’s persona, right to be left alone and right to privacy started with a landmark article by Brandeis and Warren.<sup>3</sup> Since then, public figures have asserted privacy claims against the unauthorised commercial appropriation of their persona, seeking remuneration rather than damages for mental anguish arising from unwanted publicity.<sup>4</sup> However, commercial opportunities provided by the subsequent advent of modernity have pushed the celebrities to a scenario where privacy is the one thing they, “*do not want, or need.*”<sup>5</sup> This has led to privacy becoming inadequate to justify pecuniary benefits from the use of a persona, as it is waived by celebrities.<sup>6</sup>

To protect the interest of celebrities from unauthorised use of their persona, the courts have come to recognise the right of publicity.<sup>7</sup> Judge Jerome Frank defined publicity right as, “*the right to grant the exclusive privilege of publishing his picture.*”<sup>8</sup> However, the subsequent judicial interpretation of publicity right has widened the ambit of protection under this right.<sup>9</sup> The right implicates a person’s interest in autonomous self-definition, preventing others from interfering with the meanings and values that are associated with them by the public.<sup>10</sup>

In the US, the development of this right underlies in the realisation that the right of privacy, which protects inherent aspects of one’s being, is not sufficient to protect against the commercial misappropriation of a persona.<sup>11</sup> With this in mind, the article aims to analyse the application of publicity right in India and highlight a more appropriate recourse in the future.

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<sup>1</sup> Melville B. Nimmer, *The Right of Publicity*, 19 LAW & CONTEMP. PROBS. 203-223 (1954).

<sup>2</sup> O’ Brien v. Pabst Sales Co., 124 F.2d 167 (5<sup>TH</sup> Cir. 1941).

<sup>3</sup> Samuel D. Warren and Louis D. Brandeis, *The Right to Privacy*, 4 HARV. L. REV. 193 (1890).

<sup>4</sup> James Q. Whitman, *The Two Western Cultures of Privacy: Dignity Versus Liberty*, 113 YALE L.J. 1151, 1210 (2004).

<sup>5</sup> *Gautier v. Pro-Football*, 304 NY 354, 361, 107 N. E. 2d 485, 489 (1952).

<sup>6</sup> Nimmer, *supra* note 1.

<sup>7</sup> *Haelan Labs. v. Topps Chewing Gum*, 202 F.2d 866 (court for the first time recognised the right of publicity).

<sup>8</sup> *Id.*

<sup>9</sup> *White v. Samsung*, 971 F.2d 1395 (9<sup>th</sup> Cir. 1992).

<sup>10</sup> Mark P. McKenna, *The Right of Publicity and Autonomous Self-Definition*, 67 U. PITT. L. REV. 225, 282 (2005).

<sup>11</sup> Fredrick R. Kessler, *A Common Law for the Statutory Era: The Right of Publicity and New York’s Right of Privacy Statute*, 15 FORDHAM URB. L.J. 951, 952 (1987).

## II. INDIAN LEGAL REGIME ON PUBLICITY RIGHT

The analysis of the Indian legal regime on publicity right has been divided into two parts. *Firstly*, the analysis of the Indian cases dealing with publicity right; and *secondly*, the resultant confusion from the inconsistent application of publicity right.

### A. Analysis of Indian cases dealing with publicity right

The approach of the courts in India has led to a muddled understanding of the exact nature of publicity right, as they have at various points considered the right to be a personal right, a property right and as a right analogous to trademark right as well on separate instances.

#### 1. Cases treating publicity right as personal right within the right to privacy

*ICC Development v. Arvee Enterprises*<sup>12</sup> is the first case in the Indian legal regime dealing with the question of publicity right. In this case, the plaintiff company had claimed, “*unfair trade practice of misappropriating the publicity right*” by the defendant. While deciding the matter, the court came to the conclusion that, “*publicity right has evolved from the right to privacy and can inhere only in an individual or in any indicia of an individual’s personality like his name, personality trait, signature, voice, etc.... Any effort to take away the publicity right from the individuals to the organiser of the event would be violative of article 19 and 21 of the Constitution of India. The publicity right vests in an individual and he alone is entitled to profit from it.*”<sup>13</sup> The case, contrary to the practice in the USA, blurred the distinction between the right to privacy and publicity right.<sup>14</sup> The repercussion of such an understanding has been dealt with in detail in the latter part of this article.

Subsequently, in the landmark case of *Shivaji Rao Gaikwad v. Varsha Productions*,<sup>15</sup> the plaintiff had claimed a permanent injunction restraining the defendant in any manner whatsoever amounting to the infiltration of the plaintiff’s ‘personality right’ by unauthorised use. Interestingly, the Court referred to cases on publicity rights, and thus, equated personality rights with publicity rights. The distinction between the two becomes fairly apparent by referring to German civil law, as, it distinguishes between economic rights which are assignable, as should be the case with publicity rights, and personality rights which are seen as inseparably connected to the individual,<sup>16</sup> though the meaning and the scope of personality rights is not of primary concern for this inquiry.

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<sup>12</sup> ICC Dev. (Int’l) Ltd. v. Arvee Enters. & Ors., (2003) VII AD 405 (India).

<sup>13</sup> *Id.*

<sup>14</sup> *Haelan Labs.* 202 F.2d at 866; *Martin Luther King v. American Heritage Products*, 694 F.2d 674 (11<sup>th</sup> Cir. 1983); *Ali v. Playgirl Inc.*, 447 F. Supp. 723 (SDNY 1978) (The courts in these have recognised publicity right as a right independent of privacy).

<sup>15</sup> *Shivaji Rao Gaikwad v. Varsha Prods.*, (2015) 62 PTC 351 (Madras) (India).

<sup>16</sup> DAVID TAN, *THE COMMERCIAL APPROPRIATION OF FAME* 48 (Cambridge Univ. Press ed., 2017).

## 2. Cases treating publicity right as a property right

In this part, the article analyses cases that consider publicity rights as a property right because of the recognition of the right's assignability, as otherwise, privacy being a personal right is inalienable.<sup>17</sup>

The aspect of assignability of publicity rights was first brought up in *D.M. Entertainment v. Baby Gift House*.<sup>18</sup> A company which was assigned the right to commercialise the persona of an individual was successful in enforcing that right against the defendant. This case marked a significant growth of publicity rights in India, as for the first time, an Indian court had laid down certain essentials for enforcing publicity rights. The primary essential being 'identifiability', and as a secondary consideration, it necessitated that the defendant shall have appropriated the persona or some of its essential attributes. The court concluded by making the remark that a publicity right can, in a jurisprudential sense, be located with the individual's right and autonomy to permit or not to permit the commercial exploitation of his likeness or some attributes of his personality. A landmark judgment that has since been considered as an authoritative text on publicity rights in India is *Titan Industries v. Ramkumar Jewellers*.<sup>19</sup> The case has been referred to time and again in a majority of Indian cases. The defendant had put up hoardings depicting Mr. Amitabh Bachchan and Mrs. Jaya Bachchan (famous Indian actors) as the endorsers of the defendant's jewellery. The plaintiff raised the plea of publicity right, which was assigned to them through a contract. The court divided the discussion into five points. First, being the plaintiff's right to sue. Here the court came to the conclusion that the plaintiff should be eligible to sue based on the contractual obligation of exclusivity. Secondly, the court noted the publicity right as the right of a celebrity. Thirdly, the court discussed the elements of publicity rights as – 'validity' and 'identifiability'. The element of identifiability was the same as discussed in the D.M. Entertainment case, i.e. the personality must be identifiable, whereas, the element of 'validity' was explained as the plaintiff owning an enforceable right in the identity or persona of a human being. Therefore, justifying the assigning and *locus standi* of the plaintiff in this case. In the fourth and fifth points, the court explained the method of proving the element of identifiability.

It should be noted that a decision is *per incuriam* when the court has acted in ignorance of a previous decision of its own or of a court of coordinate jurisdiction which covered the case

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<sup>17</sup> Justice K.S. Puttaswamy v. Union of India, (2019) 1 SCC 1 (India).

<sup>18</sup> D.M. Entm't Pvt. v. Baby Gift House & Ors., CS (O.S.) 893 of 2002 (Del.) (India).

<sup>19</sup> Titan Indus. Ltd. v. Ramkumar Jewellers, (2012) 50 PTC 486 (Del.) (India).

before it.<sup>20</sup> Interestingly, the courts in *D.M. Entertainment*<sup>21</sup> and *Titan Industries*<sup>22</sup> cases neither referred to the *ICC Development*<sup>23</sup> case while defining publicity rights nor did they follow the ruling of *ICC Development*<sup>24</sup>, which restricted publicity rights only to an individual. Therefore, even though the two cases treated publicity rights as a property right, which based on the reasoning substantiated in the subsequent parts of this article is the correct approach, one may question the validity of the two cases itself.

### 3. *Cases treating publicity right analogous to trademark law*

The cases in this part are an extension of treating publicity right as a property right by enforcing the same under an existing field of Intellectual property rights, i.e. trademark law.

In *Arun Jaitley v. Network Solutions Private Limited and Ors.*,<sup>25</sup> the court noted that the name of Mr. Arun Jaitley falls in the category, wherein it besides being a personal name has attained distinctive indicia of its own. Therefore, the said name due to its peculiar nature or distinctive character coupled with the gained popularity in several fields has become a well-known personal name or mark under the trademark law. Thereby protecting an aspect of publicity right through trademark law.

In *Christian Louboutin Sas v. Nakul Bajaj*,<sup>26</sup> the plaintiff had filed a suit for trademark infringement, passing-off and dilution against the defendant on several grounds, one of which was that the website of the defendant prominently featured photographs of Mr. Christian Louboutin and thereby caused an infringement of publicity right. The plaintiff relied on the US case of *Haelan Laboratories v. Topps Chewing Gum*<sup>27</sup> and the *Titan Industries*<sup>28</sup> case in support of his contention, and the Delhi High Court ruled in the plaintiff's favour.

In *Gautam Gambhir v. D.A.P & Co.*,<sup>29</sup> a suit was filed by a well-known Cricket Personality 'Gautam Gambhir' seeking injunction, restraining the defendant from using his name in the name of restaurants owned by the defendant. The celebrity status of the plaintiff was not disputed in this case. However, the court noted that the plaintiff is not associated with the

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<sup>20</sup> *Siddharam Satlingappa Mhetre v. State of Maharashtra & Ors.*, (2011) 1 SCC 694 (India).

<sup>21</sup> *D.M. Entm't Pvt.*, 893 CS (O.S.).

<sup>22</sup> *Titan Indus. Ltd.* 50 PTC at 486.

<sup>23</sup> *ICC Dev. (Int'l) Ltd.* VII AD at 405.

<sup>24</sup> *Id.*

<sup>25</sup> *Arun Jaitley v. Network Sols. Pvt. & Ors.*, (2011) 181 DLT 716 (India).

<sup>26</sup> *Christian Louboutin Sas v. Nakul Bajaj*, (2015) 216 DLT (CN) 9 (India).

<sup>27</sup> *Haelan Labs.* 202 F.2d at 866.

<sup>28</sup> *Titan Indus. Ltd.* 50 PTC at 486 (India).

<sup>29</sup> *Gautam Gambhir v D.A.P & Co. & Ors.*, (2017) SCC Online Del 12167 (India).

restaurant business and therefore, the plaintiff's name was not commercialised. The relevance of this case is that it emphasised the need for a clear message of endorsement and therefore, brought in the confusion test, which is generally applied in trademark law, to determine the validity of the plaintiff's claims.

### **B. The confusion resulting from the inconsistent application of publicity right**

The main problem with the decision of the courts in the aforementioned section is primarily regarding the nature of the right. The courts have equated publicity right, which is an economic right, with the right to privacy, which is a personal right. This assertion is through the following two decisions of the courts: -

1. The Delhi High Court in *Tata Sons Limited and Ors. v. Aniket Singh*<sup>30</sup> noted that - "Such acts of the Defendant amount to an invasion of the right to publicity/ privacy rights of Mr. Mistry, as well as passing off in right to protect his name, persona or anything emanating out of these as enshrine in article 21 of the Indian Constitution."<sup>31</sup>
2. The Indian Supreme Court, in the recent landmark privacy judgment of *Justice K.S. Puttaswamy v. Union of India*,<sup>32</sup> while defining the right of privacy in India, discussed the right of publicity.

Additionally, such confusion with regard to the nature of the right raises the question of whether a common man (a non-celebrity) has a right of publicity. The Indian Supreme Court in *R. Rajagopal v. State of Tamil Nadu*,<sup>33</sup> vests the right to privacy with each and every individual and does not make a distinction between a celebrity and a common man whereas other cases involving the right of publicity in India, have considered 'celebrity status' as a *sine quo non* for claiming the same.<sup>34</sup>

Contrary to the Indian practice, commentators have distinguished privacy rights—which protect the right to be free from unwanted publicity—from publicity rights—which grant an exclusive right to control and exploit one's name and likeness.<sup>35</sup> Courts in the USA, too, accept publicity rights as doctrinally distinct from privacy rights,<sup>36</sup> a relevant fact which should be considered in light of India's adoption of publicity right from the US.

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<sup>30</sup> *Tata Sons Ltd. & Ors. v. Aniket Singh*, (2016) 65 PTC 337 (Del.) (India).

<sup>31</sup> *Id.*

<sup>32</sup> *Justice K.S. Puttaswamy* (2017) 10 SCC 1 (India).

<sup>33</sup> *R. Rajagopal & Ors. v. State of Tamil Nadu & Ors.*, (1994) 6 SCC 632 (India).

<sup>34</sup> *Shivaji Gaikwad* 62 PTC at 351 (India); *Titan Indus. Ltd* 50 PTC at 486 (India).

<sup>35</sup> See, Nimmer, *supra* note 1 (arguing that publicity rights should be distinct from privacy rights).

<sup>36</sup> *Haelan Labs.* 202 F.2d at 866; *Martin Luther King* 694 F.2d at 674; *Ali* 447 F. Supp. at 723.

### III. NEED FOR TREATING IT AS A PROPERTY RIGHT

In the US, the academia began to draw a distinction between privacy rights per se and publicity rights as a distinct right that initially sprung out of privacy rights, but came to be situated more within the realm of property rights.<sup>37</sup> Most privacy cases involved non-celebrities, and the privacy phase is thus, often treated as a precursor to the right of publicity rather than a first step in its evolution.<sup>38</sup> The proprietary view has generally prevailed,<sup>39</sup> with courts, including the U.S. Supreme Court, likening publicity rights to intellectual property and recognising that protection for publicity rights creates economic incentives for individuals to engage in socially useful activities that enhance the market value of their identity.<sup>40</sup> The criticism of this incentive theory is that even if celebrities would make such an additional investment, it is not at all clear that society would want to encourage fame for fame's sake.<sup>41</sup> However, the rebuttal to this criticism is that the protection to the fame of persons already established to be famous is an incentive for people who are not as famous, to work harder to gain access to this protection and value, which in turn is likely to fulfil their economic interests.

The court in *First Victoria National Bank v. United States*<sup>42</sup> highlighted the benefits of treating publicity right as a property right by holding that “*An interest labelled ‘property’ normally may possess certain characteristics: it can be transferred to others; it can be devised and inherited; it can descent to heirs at law... it will be protected against invasion by the courts; it cannot be taken away without the due process of law.*”<sup>43</sup> Hereinbelow, the article analyses the publicity right in light of these requirements to ascertain whether it should be labelled as a property right or otherwise.

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<sup>37</sup> Harold R. Gordon, *Right of Property in Name, Likeness, Personality and History*, 55 NW. U. L. REV. 553, 554 (1960) (arguing that the doctrine “became confused” when public figures began resorting to privacy rights to redress appropriation of one’s persona for commercial purposes); William L. Prosser, *Privacy*, 48 CAL. L. REV. 383, 406 (1960) (characterizing “appropriation” as “not so much a mental as a proprietary [interest], in the exclusive use of the plaintiff’s name and likeness as an aspect of his identity”).

<sup>38</sup> Michael Madow, *Private Ownership of Public Image: Popular Culture and Publicity Rights*, 81 CAL. L. REV. 127, 167 (1993).

<sup>39</sup> Whitman, *supra* note 4 (noting that “an American interest in one’s ‘publicity’ is an interest in one’s property, not an interest in one’s honor”).

<sup>40</sup> *Zacchini v. Scripps Howard Broad. Co.*, 433 US 562 (1977) (“Ohio’s decision to protect petitioner’s right of publicity here rests on more than a desire to compensate the performer for the time and effort invested in his act; the protection provides an economic incentive for him to make the investment required to produce a performance of interest to the public. This same consideration underlies the patent and copyright laws long enforced by this Court.”).

<sup>41</sup> Steven J. Hoffman, *Limitations on the Right of Publicity*, 28 BULL. COPYRIGHT SOC’Y 111, 120 (1980) (arguing that celebrity endorsements may have a “net social disutility”).

<sup>42</sup> *First Victoria Nat’l Bank v. United States*, 620 F.2d 1096 (5<sup>th</sup> Cir. 1980).

<sup>43</sup> *Id.* at ¶25.

### A. Licensing

The pecuniary worth of publicity values will be greatly diminished if not totally destroyed if these values cannot be effectively sold.<sup>44</sup> Judge Jerome Frank, while recognising the right of publicity remarked that *“This right of publicity would yield them no money unless it could be made the subject of an exclusive grant which barred any other advertiser from using their pictures.”*<sup>45</sup> Therefore, the relevance of publicity rights may be questioned in the absence of its assignability.

In most jurisdictions, as well as in India,<sup>46</sup> it is well established that a right of privacy is a personal right rather than a property right<sup>47</sup> and consequently is not assignable.<sup>48</sup> Since the right of privacy is non-assignable, any agreement purporting to grant the right to use the grantor’s name and portrait ( in connection with a commercial endorsement or tie-up) is construed as constituting merely a release as to the purchaser and as not granting the purchaser any right which he can enforce as against a third party.<sup>49</sup> Nimmer illustrates this as, *“...if a prominent motion picture actress should grant to a bathing suit manufacturer the right to use her name and portrait in connection with its product and if subsequently, a competitive manufacturer should use the same actress’s name and portrait in connection with its product, the first manufacturer cannot claim any right of action on a privacy theory against its competitor since the first manufacturer cannot claim to “own” the actress’s right of privacy. Assuming the second manufacturer acted with the consent of the actress, at best, the first manufacturer would have a cause of action for breach of contract against the actress.”*<sup>50</sup> Judge Frank, while dealing with a problem of a similar nature in the case of Haelan Laboratories, as illustrated by Nimmer, recognised the publicity right *‘in addition to and independent of the right of privacy’*.<sup>51</sup>

### B. Waiver

The person who primarily enforces the publicity right is generally a celebrity, as discussed initially, who does not want to be left alone but wants to control the use of his persona. Under privacy law, if such a person seeks protection from unauthorised use, he finds that by the very fact of him being a celebrity, *“he has dedicated his life to the public and thereby waived his right to privacy.”*<sup>52</sup> As long as the right to privacy in right to life is maintained and once this has become

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<sup>44</sup> Nimmer, *supra* note 1.

<sup>45</sup> *Haelan Labs.* 202 F.2d at 866.

<sup>46</sup> *Justice K.S. Puttaswamy* (2017) 10 SCC 1 (India) (court recognised privacy as a personal right which is inalienable).

<sup>47</sup> *Mau v. Rio Grande Oil Inc.*, 28 F. Supp. 845 (ND Cal. 1939); *Metter v. Los Angeles Examiner*, 35 Cal. App. 2d 304 (Cal. Ct. App. 1939).

<sup>48</sup> *Hanna Mfg. Co. v. Hillerich & Bradsby Co.*, 78 F.2d 763 (5<sup>th</sup> Cir. 1935); *Haelan Labs.* 202 F.2d at 866.

<sup>49</sup> *Haelan Labs.* 202 F.2d at 866.

<sup>50</sup> Nimmer, *supra* note 1 at ¶12.

<sup>51</sup> *Haelan Labs.* 202 F.2d at 866.

<sup>52</sup> Nimmer, *supra* note 1.

public, the question of the continuation of that right does not arise.<sup>53</sup> The mere publication of their photographs or images was typically not viewed by courts as an invasion of any privacy interest, because the celebrities had actively sought out their fame and could not be offended by its furtherance.<sup>54</sup> It has been repeatedly suggested that public figures' privacy rights would be more limited than those of purely private individuals.<sup>55</sup> This waiver of privacy, has been recognised by the Indian Supreme Court as well.<sup>56</sup> Justice Nariman remarked – “*if a person has to post on Facebook some vital information, the same being in public domain, he would not be entitled to claim the right to privacy.*”<sup>57</sup> The court, in this case, had noted that the fact that information about an individual is in public domain, may become a relevant factor in the exercise of balancing social interest and the aspect of privacy. Therefore, a privacy-based approach of publicity right will substantially curtail the said right, especially in light of the fact that a substantial amount of information about the primary recipient of protection under publicity right, would be in public domain.

### C. Descendibility

To maintain that, “*leaving a good name to one's children is sufficient reward in itself for the individual*”<sup>58</sup> is rather harsh on those who have invested their efforts in their name, rather than in the stock market, and constitutes a rather heavy burden to impose on creativity.<sup>59</sup>

Acknowledging the right's proprietary nature, an increasing number of jurisdictions now have a descendible right of publicity, i.e., they permit the celebrity's heirs to bring suits after his death.<sup>60</sup> The modern trend holds the right as descendible.<sup>61</sup> This progression of publicity rights towards descendability mandates the right to be treated as a property right.<sup>62</sup>

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<sup>53</sup> K. Ganeshan & Ors. v. Film Certification Appellate Tribunal, Ministry of Info. and Broad. and Ors., (2016) 6 CTC 1 (India).

<sup>54</sup> Stacey L. Dogan & Mark A. Lemley, *What the Right of Publicity can learn from Trademark Law*, 56 STANF. LAW. REV. 1161 (2006).

<sup>55</sup> Corliss v. E.W. Walker Co., 57 F. Rep. 434 (CCD Mass. 1893).

<sup>56</sup> Justice K.S. Puttaswamy 10 SCC 1 (India).

<sup>57</sup> *Id.*

<sup>58</sup> Memphis Dev. Found. v. Factors Etc., 616 F.2d at 956.

<sup>59</sup> Peter L. Felcher & Edward L. Rubin, *The Descendibility of the Right of Publicity: Is There Commercial Life After Death?*, 89 YALE L.J. 1125 (1980).

<sup>60</sup> Kessler, *supra* note 11.

<sup>61</sup> Dogan & Lemley, *supra* note 54.

<sup>62</sup> *Martin Luther King*, 694 F.2d at 674 (the court held the right to be a property right to deem it as inheritable).

#### D. Remedies Available

The doctrine of privacy evolved with a view to prevent offensive publicity where newspapers would violate the privacy of wealthy and famous people to publish sensationalised articles.<sup>63</sup> In privacy cases, most US courts recognise that *“liability exists only if the defendant’s conduct was such that he should have realized that it would be offensive to persons of ordinary sensibilities. It is only where the intrusion has gone beyond the limits of decency that liability accrues.”*<sup>64</sup> Publicity rights are not adequately protected if relief can only be granted when the use of it is made in an offensive manner, since generally the appropriation of a publicity right does not involve a disparagement of the right thus appropriated, or of the persons identified with such rights.<sup>65</sup> Therefore, in a hypothetical scenario where Lionel Messi’s photo is used in furtherance of a noble cause, it is likely that he would be left with no remedy for curbing such use of his of persona.

Even in cases where celebrities prevailed in the assertion of their right, their damages were limited to the personal injury that they suffered, rather than the economic value that the use brought to the advertiser.<sup>66</sup> So, even if the essential of offensiveness is ignored from the law, privacy infringement is still compensated only to the extent of injury caused to that person. In *Miller v. Madison Square Garden*,<sup>67</sup> the plaintiff did not face any humiliation/damages by the conduct of the defendant but proved a case for infringement of privacy and the court awarded a nominal sum of 6 cents. Herein, the court did not take into account the fact that the use of the name and picture of the plaintiff on defendant’s program was worth a great deal more to defendant than six cents.<sup>68</sup> Therefore, the measure of damages should be computed in terms of the value of the publicity appropriated by the defendant rather than, as in privacy, in terms of the injury sustained by the plaintiff.<sup>69</sup> In case of the contrary, there might be a promotion of such inconsequential infringement of a celebrities’ right by and for the benefit of certain corporate houses.

#### IV.LIMITS ON THE RIGHT OF PUBLICITY

Nimmer has remarked that *“Although the defense of waiver by celebrities should not be recognized in a publicity action, the defense of public interest should be no less effective in a publicity action than in a privacy*

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<sup>63</sup> Quoted in A.T. Mason, Brandeis, *A Free Man’s Life* 70, (1946).

<sup>64</sup> Nimmer, *supra* note 1.

<sup>65</sup> Nimmer, *supra* note 1.

<sup>66</sup> *Pavesich v. New England Life Ins. Co.*, 122 Ga. 190, 50 S.E. 73 (1905) (noting that tort damages, such as “recovery of damages for wounded feelings,” are available in right of privacy cases).

<sup>67</sup> *Miller v. Madison Square Garden*, 176 Misc. 714 (NY Sup. Ct. 1941).

<sup>68</sup> Nimmer, *supra* note 1.

<sup>69</sup> *Id.*

action.<sup>70</sup> Limitation on publicity rights becomes particularly important, when courts start applying such rights beyond its intended purpose.<sup>71</sup> Such a broad reading of Publicity Rights has the propensity to impoverish the public domain, and further hinders future creators and the public at large.<sup>72</sup> Recent Indian judgments appear to be afflicted with a similar problem as can be seen in the case of *Rajat Sharma & Anr v. Ashok Venkatramani & Anr.*,<sup>73</sup> wherein, publicity rights were enforced against the defendant for issuing an ad in the newspaper which merely referred to the plaintiff. The same may be questioned to be protected under the freedom of speech. Inherently, there is a tension between the right of publicity and the right of freedom of speech and expression under the First Amendment (the counter part of this being article 19 of the Indian Constitution, i.e., fundamental right of freedom of speech).<sup>74</sup> Where a person's name, photograph, or likeness is made in the dissemination of news or in a manner required by public interest, that person should not be able to complain of the infringement of his publicity right.<sup>75</sup> However, not all forms of expression are protected under free speech in the context of publicity right.<sup>76</sup> The US courts have developed various balancing tests to demarcate the boundary between publicity rights and free speech interests, chief among them the influential "transformative use" test adopted from the copyright fair use doctrine.<sup>77</sup> Under this test, an individual, whether or not a celebrity, cannot recover damages for a violation of publicity right when the depicted identity has been transformed into a new creative work of expression.<sup>78</sup> Notably, this constitutional limitation on publicity claim applies even when the transformative depiction is, itself, sold for profit by the secondary user.<sup>79</sup>

Contrary to the above noted and much needed limitation on publicity right, there appears to be a lacuna of the same in India.<sup>80</sup> While the majority of cases in India did not take upon themselves

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<sup>70</sup> *Id.*

<sup>71</sup> Paul J. Heald, *Filling Two Gaps in the Restatement (Third) of Unfair Competition: Mixed-Use Trademarks and the Problem with Vanna*, 47 S.C. L. REV 783, 806 (1995) (criticizing the Vanna White judgment for extending publicity right beyond the accepted limits).

<sup>72</sup> *ETW Corp. v. Jireh Publ'g, Inc.*, 332 F.3d 915, 931 (6<sup>th</sup> Cir. 2003).

<sup>73</sup> *Rajat Sharma & Anr v. Ashok Venkatramani & Anr.*, CS (Comm.) 15/2019.

<sup>74</sup> *ETW Corp.* 332 F.3d at 931.

<sup>75</sup> *Nimmer*, *supra* note 1.

<sup>76</sup> Reid Kress Weisbord, *A Copyright Right of Publicity*, 84 FORDHAM L. REV. 2803 (2016).

<sup>77</sup> *Id.*

<sup>78</sup> *Comedy III Prods. Inc. v. Gary Saderup Inc.*, 21 P.3d 797, 808 (Cal. 2001).

<sup>79</sup> *ETW Corp.* 332 F.3d at 931.

<sup>80</sup> See, *ICC Dev. (Int'l) Ltd.* VII AD at 405 (India); *Arun Jaitley* 181 DLT at 716 (India); *Titan Indus. Ltd.* 50 PTC at 486 (India); *Christian Louboutin Sas* 216 DLT (CN) at 9 (India); *Shivaji Gaikwad* 62 PTC at 351 (India); *Tata Sons Ltd.* 65 PTC at 337 (India); *K. Ganeshan* 6 CTC 1 (India); *Kajal Aggarwal* 1 LW at 330 (The courts in these cases have not taken the burden of ascertaining the limits of publicity right).

the burden of defining the limits of this right, D.M. Entertainment appears to have recognised the free speech restriction on publicity right. The court remarked – “*In a free and democratic society, where every individual’s right to free speech is assured, the over emphasis of a famous person’s publicity rights can tend to chill the exercise such invaluable democratic right. Thus, for instance, caricature, lampooning, parodies and the like, which may tend to highlight some aspects of the individual’s personality traits, may not constitute an infringement of such individual’s right to publicity. If it were held otherwise, an entire genre of expression would be unavailable to the general public.*”<sup>81</sup> Even though, the court recognised the free speech restriction on publicity right, it did not use this opportunity to lay down the much needed balancing tests, as are recognised in the USA, to demarcate the boundary between publicity right and free speech interest.

A repercussion of not having a well-defined limitation on publicity right can be seen in the Gautam Gambhir case,<sup>82</sup> where the court appears to have utilised the test of likelihood of confusion. The court, while acknowledging the celebrity status of the plaintiff, did not enforce his publicity right on the grounds of lack of confusion among consumers regarding plaintiff’s association.<sup>83</sup> Dogan and Lemley propose that confusion about affiliation or sponsorship is most directly analogous to right of publicity cases and hence a test of likelihood of confusion should be adopted by courts, as is done in trademark case.<sup>84</sup> However, courts in publicity claims do not ask whether customers are in fact confused, as they rarely conduct surveys as to whether the use of persona amounted to any confusion.<sup>85</sup> Furthermore, the court in Titan Industries held that the defendant’s use of the personality rights of Mr. and Mrs. Bachchan in its advertisement itself contains a clear message of endorsement and the message is false, misleading and is not tied down to any proof of falsity.<sup>86</sup>

Lastly, the case of *Kajal Aggarwal v. The Managing Director*,<sup>87</sup> even though not expressly dealing with publicity right, sheds light on another necessity to demarcate the limits of publicity right. In this case, the plaintiff had sought to restrain the defendant from using the ad-film, in which she had acted, beyond the period of the contract. *Per contra*, the defendant claimed that since he had the copyright over the ad-film, he could use it for a period stipulated in the Indian Copyright Act, which is 60 years. Interestingly, the court upheld the contention of the defendant and ruled that

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<sup>81</sup> D.M. Entm’t Pvt. CS (O.S.) 893 of 2002 (Del.) (India) at ¶14.

<sup>82</sup> Gautam Gambhir (2017) SCC Online Del at 12167 (India).

<sup>83</sup> *Id.*

<sup>84</sup> Dogan & Lemley, *supra* note 54.

<sup>85</sup> Dogan & Lemley, *supra* note 54.

<sup>86</sup> *Titan Indus. Ltd.* 50 PTC at 486 (India).

<sup>87</sup> *Kajal Aggarwal v. The Managing Dir., V.V.D. & Sons P. Ltd.*, (2012) 1 LW 330.

statutory provision would prevail over the contractual provision. This begs the question as to what would have been the stance of the court had the plaintiff claimed infringement of publicity right after the expiry of the contract. Therefore, there may be a scenario where there may be a clash between copyright and publicity right, a question yet to be posed before the Indian judiciary, which can only be resolved by identifying the limits to publicity right.

## V. CONCLUSION

Unlike India, the courts in the USA have expressly recognised publicity right as a property right, independent of privacy. Such a difference in practice can be attributed to the difference in the scope of the right to privacy in the two countries. In the USA, the right to privacy, being a statutory right, has a well-defined and limited scope in comparison to India,<sup>88</sup> where the scope of this right is yet to be ascertained.<sup>89</sup> Due to this limited scope, the US courts, have relied on publicity right to fill in the lacunas in the right to privacy.<sup>90</sup> On the other hand, Indian courts have muddled publicity right with privacy, by interchangeably using the two.<sup>91</sup> Such practice can be justified due to the lack of limitation on the right to privacy itself, resulting in an overlap between the two rights. However, as noted above, the justification does not eliminate the necessity to treat publicity right as a proprietary right for the assignability of persona.

Additionally, the court in Haelan Laboratories itself, while recognising the right to publicity, left open critical questions about the content of the new right.<sup>92</sup> The mere recognition of this right without defining the limits of this right, created a theoretical vacuum with very little insight into the values that should guide the courts in the application of this law to new facts.<sup>93</sup> Unfortunately, rather than fill Haelan's vacuum with considered analysis, judges and lawmakers sidestepped the tough issues and increasingly adopted an attitude of "*if value, then right*."<sup>94</sup> India too, by the mere adoption of publicity right from the US, without dealing with the scope and nature of the right, is afflicted with inconsistency in the application of the right. Nevertheless, the Indian legal regime on publicity right, being at such a nascent stage, still has scope to catch

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<sup>88</sup> See, CAL. CIV. CODE § 3344 (1995) & N.Y. CIVIL RIGHTS LAW §§ 50,51 (1903).

<sup>89</sup> *Justice K.S. Puttaswamy* (2017) 10 SCC 1 (India).

<sup>90</sup> See, White 971 F.2d at 1395 (court stated "The right of publicity does not require that appropriations of identity be accomplished through particulars means to be actionable." By doing so the Court extended the remedy for appropriations of plaintiff's identity without the use of his name or likeness, which were prerequisites for a remedy under the right to privacy).

<sup>91</sup> *Tata Sons Ltd.* 65 PTC at 337 (the court has interchangeably used the term publicity with privacy) (India).

<sup>92</sup> *Dogan & Lemley*, *supra* note 54.

<sup>93</sup> *Id.*

<sup>94</sup> Rochelle C. Dreyfuss, *Expressive Genericity: Trademarks as Language in the Pepsi Generation*, 65 NOTRE DAME L. REV. 397, 405 (1990).

up with the development in law that has taken place in the west. In order to do so, the courts have to, first and foremost, truly understand the nature of the right.