### Court of Justice EU, 3 October 2013, Pinckney v Mediatech

## kdg mediatech AG

### COPYRIGHT - INTERNATIONAL PRIVATE LAW

Court of the location where the damage as a result of copyright infringement has taken place only has jurisdiction to determine the damage caused in the state which it is situated

In the light of all of the foregoing, the answer to the questions referred is that Article 5(3) of the Regulation must be interpreted as meaning that, in the event of alleged infringement of copyrights protected by the Member State of the court seised, the latter has jurisdiction to hear an action to establish liability brought by the author of a work against a company established in another Member State and which has, in the latter State, reproduced that work on a material support which is subsequently sold by companies established in a third Member State through an internet site also accessible with the jurisdiction of the court seised. That court has jurisdiction only to determine the damage caused in the Member State within which it is situated.

Source: curia.europa.eu

### Court of Justice EU, 3 October 2013

(L. Bay Larsen, J. Malenovský, U. Lõhmus, M. Safjan (Rapporteur), A. Prechal,)

JUDGMENT OF THE COURT (Fourth Chamber) 3 October 2013 (\*)

(Regulation (EC) No 44/2001 – Jurisdiction – Matters relating to tort, delict and quasi-delict – Copyright – Material support reproducing a protected work – Placing on line – Determination of the place where the harmful event occurred)

Case C-170/12,

REQUEST for a preliminary ruling under Article 267 TFEU from the Cour de cassation (France), made by judgment of 5 April 2012, received at the Court on 11 April 2012, in the proceedings

Peter Pinckney

V

KDG Mediatech AG,

THE COURT (Fourth Chamber),

composed of L. Bay Larsen, President of the Chamber, J. Malenovský, U. Lõhmus, M. Safjan (Rapporteur) and A. Prechal, Judges,

Advocate General: N. Jääskinen,

Registrar: A. Calot Escobar,

having regard to the written procedure,

after considering the observations submitted on behalf of:

- Mr Pinckney, by J. de Salve de Bruneton, avocat,
- the French Government, by G. de Bergues and B.
  Beaupère-Manokha, acting as Agents,
- the Greek Government, by S. Chala, acting as Agent,
- the Austrian Government, by C. Pesendorfer, acting as Agent,
- the Polish Government, by B. Majczyna and M. Szpunar, acting as Agents,
- the European Commission, by A.-M. Rouchaud-Joët, acting as Agent,

after hearing the Opinion of the Advocate General at the sitting on 13 June 2013,

gives the following

#### Judgmen

- 1 This request for a preliminary ruling concerns the interpretation of Article 5(3) of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2001 L 12, p. 1) ('the Regulation').
- The request has been made in proceedings between Mr Pinckney, a French resident, and KDG Mediatech AG ('Mediatech') a company established in Austria, concerning a claim for damages resulting from the infringement of Mr Pinckney's copyright.

### Legal context

### The Regulation

- Recitals 2, 11, 12 and 15 in the preamble to the Regulation state:
- '(2) Certain differences between national rules governing jurisdiction and recognition of judgments hamper the sound operation of the internal market. Provisions to unify the rules of conflict of jurisdiction in civil and commercial matters and to simplify the formalities with a view to rapid and simple recognition and enforcement of judgments from Member States bound by this Regulation are essential;

...

- (11) The rules of jurisdiction must be highly predictable and founded on the principle that jurisdiction is generally based on the defendant's domicile and jurisdiction must always be available on this ground save in a few well-defined situations in which the subject-matter of the litigation or the autonomy of the parties warrants a different linking factor. The domicile of a legal person must be defined autonomously so as to make the common rules more transparent and avoid conflicts of jurisdiction.
- (12) In addition to the defendant's domicile, there should be alternative grounds of jurisdiction based on a close link between the court and the action or in order to facilitate the sound administration of justice.
- (15) In the interests of the harmonious administration of justice it is necessary to minimise the possibility of concurrent proceedings and to ensure that irreconcilable judgments will not be given in two Member States. There must be a clear and effective

www.ip-portal.eu Page 1 of 15

mechanism for resolving cases of lis pendens and related actions and for obviating problems flowing from national differences as to the determination of the time when a case is regarded as pending. For the purposes of this Regulation that time should be defined autonomously.'

- 4 The rules of jurisdiction in Chapter II of the Regulation consist of Articles 2 to 31.
- 5 Article 2(1) of the Regulation, in Section 1 of Chapter II, entitled 'General provisions', is worded as follows:
- 'Subject to this Regulation, persons domiciled in a Member State shall, whatever their nationality, be sued in the courts of that Member State.'
- 6 Article 3(1) of the Regulation, also in Section 1, provides:

'Persons domiciled in a Member State may be sued in the courts of another Member State only by virtue of the rules set out in Sections 2 to 7 of this Chapter.'

- 7 Article 5 is in Section 2 of Chapter II, which is entitled 'Special jurisdiction'. According to Article 5(3):
- 'A person domiciled in a Member State may, in another Member State, be sued:
- (3) in matters relating to tort, delict or quasi-delict, in the courts for the place where the harmful event occurred or may occur;'.

### Directive 2001/29/EC

8 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 (OJ 2001 L 167, p. 10), in Chapter II, entitled 'Rights and Exceptions', contains, inter alia, Articles 2 to 4 which concern, respectively, the reproduction right, the right of communication to the public of works and the right of making available to the public other subject-matter and the distribution right.

### The dispute in the main proceedings and the questions referred

- Mr Pinckney, who lives in Toulouse (France), claims to be the author, composer and performer of 12 songs recorded by the group Aubrey Small on a vinyl record.
- When he discovered that those songs had been reproduced without his authority on a compact disc (CD) pressed in Austria by Mediatech, then marketed by United Kingdom companies Crusoe or Elegy through various internet sites accessible from his residence in Toulouse, Mr Pinckney brought an action, on 12 October 2006, against Mediatech before the Tribunal de grande instance de Toulouse (Regional Court, Toulouse) seeking compensation for damage sustained on account of the infringement of his copyrights.
- 11 Mediatech challenged the jurisdiction of the French courts. By order of 14 February 2008, the judge preparing the case for trial at the Tribunal de grande instance de Toulouse dismissed that plea of lack of jurisdiction on the ground that the very fact that Mr

Pinckney had been able to purchase the records concerned at his residence in France from an internet site accessible to the French public was sufficient to establish a substantial connection between the facts and the alleged damage, justifying the jurisdiction of the court seised.

- Mediatech appealed against that judgment, arguing that the CDs had been pressed in Austria, where its headquarters is situated, at the request of a United Kingdom company which marketed them through an internet site. Thus, it claimed, the only courts having jurisdiction are the courts of the place of the defendant's domicile, which is in Austria, or the courts of the place where the damage was caused, that is the place where the alleged infringement was committed, in the United Kingdom.
- 13 By a judgment of 21 January 2009, the Cour d'appel de Toulouse (Court of Appeal, Toulouse) held that the Tribunal de grande instance de Toulouse lacked jurisdiction on the ground that the defendant is domiciled in Austria and the place where the damage occurred cannot be situated in France, and that there was no need to examine the liability of Mediatech and Crusoe or Elegy in the absence of any allegation of collusion between them and Mediatech.
- Mr Pinckney brought an appeal in cassation against that judgment, relying on Article 5(3) of the Regulation. He argued that the French courts have jurisdiction and that his action was wrongly rejected.
- 15 In those circumstances the Court of cassation decided to stay its proceedings and to refer the following questions to the Court of Justice for a preliminary ruling:
- '1. Is Article 5(3) of ... [the Regulation] to be interpreted as meaning that, in the event of an alleged infringement of copyright committed by means of content placed online on a website,
- the person who considers that his rights have been infringed has the option of bringing an action to establish liability before the courts of each Member State in the territory of which content placed online is or has been accessible, in order to obtain compensation solely in respect of the damage suffered on the territory of the Member State of the court before which the action is brought,
- does that content also have to be, or to have been, directed at the public located in the territory of that Member State, or must some other clear connecting factor be present?
- 2. Is the answer to Question 1 the same if the alleged infringement of copyright results, not from the placing of dematerialised content online, but, as in the present case, from the online sale of a material carrier medium which reproduces that content?'

### The questions referred for a preliminary ruling Admissibility

16 The Austrian Government submits that the questions are inadmissible. They are hypothetical as regards the facts of the case in the main proceedings because they do not concern the act of reproduction by

www.ip-portal.eu Page 2 of 15

Mediatech, but subsequent acts of distribution by the United Kingdom companies concerned. It does not appear from the summary of the facts in the main proceedings that Mediatech organised the distribution of the CDs by those companies or that it had any connection with them whatsoever.

In any event, according to the Austrian Government, the first question is inadmissible because it starts from the incorrect premiss that dematerialised content, that is the work itself, was offered on line, whereas the offer at issue in the main proceedings only concerned a material support reproducing that content.

In that connection, it must be recalled that, according to settled case-law, the Court can decline to rule on a request for a preliminary ruling from a national court only where it is quite obvious that the interpretation of European Union law that is sought bears no relation to the facts of the main action or to its subject-matter, where the problem is hypothetical, or where the Court does not have before it the factual or legal material necessary to give a useful answer to the questions submitted to it (Case C-11/07 Eckellkamp and Others [2008] ECR I-6845, paragraph 28 and Case C-259/12 Rodopi-M 91 [2013] ECR, paragraph 27).

19 The Court has also held that the justification for a request for a preliminary ruling is not that it enables advisory opinions on general or hypothetical questions to be delivered, but rather that it is necessary for the effective resolution of a dispute (Case C-459/07 Elshani [2009] ECR I-2759, paragraph 42).

20 In the present case, it is common ground that the referring court is dealing with an allegation of copyright infringement resulting from the online offer of a material support reproducing a protected work and that the issue as to whether the French courts have jurisdiction to hear that allegation is the very subject-matter of the dispute in the main proceedings. In the light of all the information before the Court, it does appear that the outcome of that dispute depends on the answer to the questions referred, which, furthermore, require reformulation.

Therefore, the questions referred are admissible. **Substance** 

By its questions, which it is appropriate to reformulate, the referring court asks essentially whether Article 5(3) of the Regulation must be interpreted as meaning that where there is an alleged infringement of a copyright which is protected by the Member State of the court seised, that court has jurisdiction to hear an action to establish liability brought by the author of a work against a company established in another Member State, which has in the latter State reproduced that work on a material support which is subsequently marketed by companies established in a third Member State through an internet site which is also accessible in the Member State of the court seised.

In order to answer those questions, it must be recalled from the outset that the provisions of the Regulation must be interpreted independently, by reference to its scheme and purpose (Case C-228/11 Melzer [2013] ECR, paragraph 22).

By way of derogation from the fundamental principle laid down in Article 2(1) of the Regulation, attributing jurisdiction to the courts of the defendant's domicile, Section 2 of Chapter II thereof makes provision for certain special jurisdictional rules, such as that laid down in Article 5(3) of that regulation (Melzer, paragraph 23).

25 In so far as the jurisdiction of the court of the place where the harmful event occurred or may occur constitutes a rule of special jurisdiction, it must be interpreted restrictively and cannot give rise to an interpretation going beyond the cases expressly envisaged by the Regulation (Melzer, paragraph 24).

The fact remains that the expression 'place where the harmful event occurred or may occur' in Article 5(3) of the Regulation is intended to cover both the place where the damage occurred and the place of the event giving rise to it, so that the defendant may be sued, at the option of the applicant, in the courts for either of those places (Melzer, paragraph 25).

27 In that connection, according to settled case-law, the rule of special jurisdiction laid down in Article 5(3) of the Regulation is based on the existence of a particularly close connecting factor between the dispute and the courts of the place where the harmful event occurred or may occur, which justifies the attribution of jurisdiction to those courts for reasons relating to the sound administration of justice and the efficacious conduct of proceedings (Melzer, paragraph 26).

Since identification of one of the connecting factors recognised by the case-law, set out in paragraph 26 of the present judgment, is to enable the court objectively best placed to determine whether the elements establishing the liability of the person sued are present to take jurisdiction, only the court before which an action may properly be brought is the court within whose jurisdiction the relevant connecting factor is to be found (see, to that effect, Case C-133/11 Folien Fischer and Fofitec [2012] ECR).

It must be observed that, in the present case, unlike the facts which gave rise to the judgment in Melzer, the case in the main proceedings does not concern the possibility to sue one of the presumed perpetrators of the alleged damage before the court seised on the basis that it is the place of the event giving rise to the damage. It is common ground that that place is not situated within the jurisdiction of the court seised by Mr Pinckney. However, the question arises as to whether that court has jurisdiction on the ground that it is the court for the place where the alleged damage occurred.

30 Therefore, it is appropriate to specifically set out the circumstances in which, for the requirements of Article 5(3) of the Regulation, the damage resulting from an alleged copyright infringement occurred or may occur in a Member State other than that in which the defendant reproduced the author's work onto a material support which is then sold via an internet site which is also accessible within the jurisdiction of the court seised.

www.ip-portal.eu Page 3 of 15

- 31 The Court has already interpreted Article 5(3) of the Regulation with respect to allegations of infringements committed via the internet and which may, as a result, produce their effects in numerous places (see, Joined Cases C-509/09 and C-161/10 eDate Advertising and Martinez [2011] ECR I-10269 and Case C-523/10 Wintersteiger [2012] ECR).
- First, it is clear from that case-law that the place where the alleged damage occurred within the meaning of that provision may vary according to the nature of the right allegedly infringed (see, to that effect, Wintersteiger, paragraphs 21 to 24).
- 33 Second, the likelihood of the damage occurring in a particular Member State is subject to the requirement that the right in respect of which infringement is alleged is protected in that Member State (see, Wintersteiger, paragraph 25).
- Finally, it is clear from that case-law that, in accordance with the objectives set out in paragraph 27 of the present judgment, in order to attribute jurisdiction to a court to hear an allegation of infringement in matters of tort, delict and quasi-delict, the identification of the place where the alleged damage occurred also depends on which court is best placed to determine whether the alleged infringement is well founded (eDate Advertising and Martinez, paragraph 48 and Wintersteiger, paragraph 27).
- 35 In applying those principles, for the purpose of identifying the place where damage allegedly caused via the internet occurred, the Court has distinguished between infringements of personality rights and infringement of intellectual and industrial property rights.
- Thus, the alleged victim of an infringement of personality rights by means of content placed online, which is protected in all the Member States may, on the basis that the harmful even occurred there, bring his action before the courts of each Member State in the territory of which content placed online is or has been accessible. Those courts have jurisdiction only in respect of the damage caused in the territory of the Member State of the court seised (see, eDate Advertising and Martinez, paragraph 52). Furthermore, given that the impact which material placed online is liable to have on an individual's personality rights might best be assessed by the court of the place where the alleged victim has his centre of interests, the alleged victim may choose to bring an action in one forum in respect of all of the damage caused (eDate Advertising and Martinez, paragraph 48).
- 37 However, the allegation of an infringement of an intellectual and industrial property right, in respect of which the protection granted by registration is limited to the territory of the Member State of registration, must be brought before the courts of that State. It is the courts of the Member State of registration which are the best placed to ascertain whether the right at issue has been infringed (see, to that effect, with respect to national marks, Wintersteiger, paragraphs 25 and 28).

- 38 It is appropriate to verify to what extent the abovementioned conclusions apply to the alleged copyright infringements.
- 39 First of all, it is true that copyright, like the rights attaching to a national trade mark, is subject to the principle of territoriality. However, copyrights must be automatically protected, in particular by virtue of Directive 2001/29, in all Member States, so that they may be infringed in each one in accordance with the applicable substantive law.
- In that connection, it must be stated from the outset that the issue as to whether the conditions under which a right protected in the Member State in which the court seised is situated may be regarded as having been infringed and whether that infringement may be attributed to the defendant falls within the scope of the examination of the substance of the action by the court having jurisdiction (see, to that effect, Wintersteiger, paragraph 26).
- 41 At the stage of examining the jurisdiction of a court to adjudicate on damage caused, the identification of the place where the harmful event giving rise to that damage occurred for the purposes of Article 5(3) of the Regulation cannot depend on criteria which are specific to the examination of the substance and which do not appear in that provision. Article 5(3) lays down, as the sole condition, that a harmful event has occurred or may occur.
- 42 Thus, unlike Article 15(1)(c) of the Regulation, which was interpreted in Joined Cases C-585/08 and C-144/09 Pammer and Hotel Alpenhof [2010] ECR I-12527, Article 5(3) thereof does not require, in particular, that the activity concerned to be 'directed to' the Member State in which the court seised is situated.
- It follows that, as regards the alleged infringement of a copyright, jurisdiction to hear an action in tort, delict or quasi-delict is already established in favour of the court seised if the Member State in which that court is situated protects the copyrights relied on by the plaintiff and that the harmful event alleged may occur within the jurisdiction of the court seised.
- In circumstances such as those at issue in the main proceedings that likelihood arises, in particular, from the possibility of obtaining a reproduction of the work to which the rights relied on by the defendant pertain from an internet site accessible within the jurisdiction of the court seised
- 45 However, if the protection granted by the Member State of the place of the court seised is applicable only in that Member State, the court seised only has jurisdiction to determine the damage caused within the Member State in which it is situated.
- 46 If that court also had jurisdiction to adjudicate on the damage caused in other Member States, it would substitute itself for the courts of those States even though, in principle, in the light of Article 5(3) of the Regulation and the principle of territoriality, the latter have jurisdiction to determine, first, the damage caused in their respective Member States and are best placed to ascertain whether the copyrights protected by the

www.ip-portal.eu Page 4 of 15

Member State concerned have been infringed and, second, to determine the nature of the harm caused.

47 In the light of all of the foregoing, the answer to the questions referred is that Article 5(3) of the Regulation must be interpreted as meaning that, in the event of alleged infringement of copyrights protected by the Member State of the court seised, the latter has jurisdiction to hear an action to establish liability brought by the author of a work against a company established in another Member State and which has, in the latter State, reproduced that work on a material support which is subsequently sold by companies established in a third Member State through an internet site also accessible with the jurisdiction of the court seised. That court has jurisdiction only to determine the damage caused in the Member State within which it is situated.

#### Costs

48 Since these proceedings are, for the parties to the main proceedings, a step in the action pending before the national court, the decision on costs is a matter for that court. Costs incurred in submitting observations to the Court, other than the costs of those parties, are not recoverable.

On those grounds, the Court (Fourth Chamber) hereby rules:

Article 5(3) of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters must be interpreted as meaning that, in the event of alleged infringement of copyrights protected by the Member State of the court seised, the latter has jurisdiction to hear an action to establish liability brought by the author of a work against a company established in another Member State and which has, in the latter State, reproduced that work on a material support which is subsequently sold by companies established in a third Member State through an internet site also accessible with the jurisdiction of the court seised. That court has jurisdiction only to determine the damage caused in the Member State within which it is situated.

[Signatures]

### OPINION OF ADVOCATE GENERAL JÄÄSKINEN

delivered on 13 June 2013 (1)

Case C-170/12

Peter Pinckney

V

KDG Mediatech AG

(Request for a preliminary ruling from the Cour de cassation (France))

(Inadmissibility – No connection between the questions referred and the reality or the subject-matter of the main proceedings – Jurisdiction in civil and commercial matters – Regulation (EC) No 44/2001 – Article 5(3) – Special jurisdiction in matters relating to

tort, delict or quasi-delict – Criteria for determining the place where the harmful event occurred – Infringement of copyright – Directive 2001/29/EC – Articles 2, 3 and 4 – Pressing of a CD – Online offer of that CD – Placing online of the content of that CD in dematerialised form)

#### I - Introduction

- 1. The Cour de cassation (Court of Cassation) (France) has referred two questions to the Court for a preliminary ruling in the context of an action for damages brought by Mr Pinckney, a French resident who claims to be, inter alia, the author of musical works, against KDG Mediatech AG ('Mediatech'), a company established in Austria, based on the alleged infringement of those works by that company.
- 2. The present case might have given the Court the opportunity to rule on the conditions in which the courts of a Member State have jurisdiction ratione loci to determine a dispute arising from an alleged infringement of copyright via the internet on the basis of Article 5(3) of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters. (2)
- 3. The referring court is uncertain as to the relevant criterion for establishing a connection in the case of a crossborder infringement of copyright resulting either from the placing online of dematerialised content or the online sale of a material support reproducing that content. The Cour de cassation states that the request for a preliminary ruling was made on account of the difference between the dispute before it and the situations considered by the Court in L'Oréal and Others (3) and also in eDate Advertising and Others. (4)
- 4. None the less, having regard to the description of the facts by the referring court, and owing to what I believe to be the inevitable characterisation of the legal basis of the action for damages brought by Mr Pinckney, the questions for a preliminary ruling seem to me to have no relevance to the outcome of the main proceedings and must therefore be declared inadmissible. It is therefore only in the alternative that I shall make some observations on the substance of the case.

### II - Legal framework

### A - Regulation (EC) No 44/2001 (5)

- 5. Recital 12 in the preamble to Regulation No 44/2001 states that '[i]n addition to the defendant's domicile, there should be alternative grounds of jurisdiction based on a close link between the court and the action or in order to facilitate the sound administration of justice'.
- 6. Article 2(1) of that regulation, which appears in Section 1 of Chapter II, entitled 'General provisions', provides that '[s]ubject to this Regulation, persons domiciled in a Member State shall, whatever their nationality, be sued in the courts of that Member State'.
- 7. Article 5(3) of that regulation, which is part of Section 2 of Chapter II, entitled 'Special jurisdiction', provides that a person domiciled in a Member State

www.ip-portal.eu Page 5 of 15

may be sued in another Member State, 'in matters relating to tort, delict or quasi-delict, in the courts for the place where the harmful event occurred or may occur'. (6)

#### **B** – **Directive 2001/29/EC**

- 8. Article 2 of 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, (7) entitled 'Reproduction right', provides, in essence, that Member States are to provide, inter alia, for authors the exclusive right to authorise or prohibit direct or indirect, temporary or permanent reproduction, by any means and in any form, in whole or in part, of their works.
- 9. Article 3(1) of that directive, entitled 'Right of communication to the public of works and right of making available to the public other subject-matter', provides that 'Member States shall provide authors with the exclusive right to authorise or prohibit any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them.' Paragraph 3 of that article provides that '[t]he rights referred to in paragraphs 1 and 2 shall not be exhausted by any act of communication or making available to the public as set out in this Article.'
- 10. In the words of Article 4(1) of that directive, entitled 'Distribution right': 'Member States shall provide for authors, in respect of the original of their works or of copies thereof, the exclusive right to authorise or prohibit any form of distribution to the public by sale or otherwise.' In addition, paragraph 2 thereof provides: 'The distribution right shall not be exhausted within the Community in respect of the original or copies of the work, except where the first sale or other transfer of ownership in the Community of that object is made by the rightholder or with his consent'.

# III – The main proceedings, the questions referred for a preliminary ruling and the procedure before the Court

- 11. In the light of the request for a preliminary ruling and the parties' observations, the facts and the main proceedings may be summarised as follows.
- 12. Mr Pinckney, who lives in Toulouse (France), claims to be the author, composer and performer of 12 songs recorded on a vinyl disc in the 1970s. He found that those songs had been reproduced without his authority on compact discs ('CDs') pressed by Mediatech in Austria, where the latter company is domiciled. Those CDs were subsequently marketed by two United Kingdom companies on various websites accessible, in particular, from Mr Pinckney's place of domicile in Toulouse.
- 13. Mr Pinckney brought proceedings against Mediatech before the Tribunal de grande instance de Toulouse (Regional Court, Toulouse) (France), seeking compensation for the harm which he claimed to have

suffered by reason of the infringement of his copyright. By order of 14 February 2008 the judge preparing the case for trial considered that that court had jurisdiction to determine that claim, notwithstanding the objection of lack of jurisdiction ratione territoriae raised by Mediatech.

- 14. Mediatech appealed against that decision and the Cour d'appel de Toulouse (Court of Appeal, Toulouse) held that the French courts lacked jurisdiction, on the ground that the defendant's place of domicile was Austria and that the place where the damage occurred could not be in France.
- 15. Mr Pinckney then lodged an appeal in cassation against that judgment, relying on an infringement of Article 5(3) of Regulation No 44/2001. It was in that context that, by decision of 5 April 2012, the Cour de cassation decided to stay proceedings and to refer the following questions to the Court for a preliminary ruling:
- '(1) Is Article 5(3) of [Regulation No 44/2001] to be interpreted as meaning that, in the event of an alleged infringement of copyright committed by means of content placed on line on a website,
- the person who considers that his rights have been infringed has the option of bringing an action to establish liability before the courts of each Member State in the territory of which content placed on line is or has been accessible, in order to obtain compensation solely in respect of the damage suffered on the territory of the Member State of the court before which the action is brought,

or

- does that content also have to be, or to have been, directed at the public located in the territory of that Member State, or must some other clear connecting factor be present?
- (2) Is the answer to [the first question] the same if the alleged infringement of copyright results, not from the placing of dematerialised content online, but, as in the present case, from the online sale of a material carrier medium which reproduces that content?'
- 16. The request for a preliminary ruling was lodged at the Court Registry on 11 April 2012. Written observations have been submitted by Mr Pinckney, by the French, Greek, Austrian and Polish Governments and by the European Commission. No hearing has been held.

### IV - Analysis

#### A - Admissibility

- 17. In addressing the two relevant grounds of inadmissibility in the present case, I shall take into account, first, the exceptional nature of inadmissibility decisions in requests for preliminary rulings, which follows from the fundamental principle of good cooperation with the national courts, and, second, the need for the national courts to allow the Court to rule on the interpretation of the provisions of EU law sought in the light of and for the needs of the main proceedings.
- 18. It has consistently been held that questions for a preliminary ruling referred by the national courts enjoy

www.ip-portal.eu Page 6 of 15

a presumption of relevance (8) and, in that regard, that a request may be refused 'only if it is quite obvious that the interpretation of European Union law sought bears no relation to the actual facts of the main action or to its purpose, or where the problem is hypothetical or the Court does not have before it the factual or legal material necessary to give a useful answer to the questions submitted to it'. (9) That seems to me to be the position in this case.

- 1. The insufficient description of the factual context of the case
- 19. The first ground of inadmissibility, which, admittedly, has not been raised by any of the parties to the proceedings, but which may be raised by the Court of its own motion, (10) relates to the fact that the Court is unable to answer the questions put to it owing to the insufficient description of the factual context of the case by the referring court. The present request for a preliminary ruling contains no information relating, in particular, to the nature of the relationship between the Austrian company and the United Kingdom companies, any parallel actions brought by Mr Pinckney against those companies, the activities of the websites in question or the technological process in the first question for the placing of the protected content online to which that question refers.
- 20. The gaps in the order for reference render more difficult the Court's task of giving as useful as possible an answer to the questions referred to it, as explained by the facts of the case. None the less, it seems to me that the Court is not unable to provide the requested interpretation of Article 5(3) of Regulation No 44/2001, since, as the case-law requires, it has sufficient information to enable it to determine the scope of the questions raised, (11) in this instance the definition of the relevant point of connection where there has been an infringement of copyright. The request for a preliminary ruling is therefore not inadmissible from that aspect.
- 2. The lack of relevance of the questions referred to the outcome of the main proceedings
- 21. The second ground of inadmissibility, which was raised by the Austrian Government and the Commission, concerns the usefulness of the Court's answer to the outcome of the main proceedings, given the absence of any apparent relationship between the questions referred and the dispute before the referring court.
- 22. The Court has repeatedly held that there is no need to answer the questions for a preliminary ruling where the interpretation of EU law sought is incapable of shedding light on the outcome of the main proceedings, in particular where the subject-matter of the proceedings is different from the subject-matter of the questions referred. (12)
- 23. From that point of view, the particular feature of this case relates to the fact that that aspect of admissibility is not immediately apparent but assumes a preliminary examination of the system of copyright protection in the European Union. Where it is dealing with an action for infringement of copyright on the

- basis of Article 5(3) of Regulation No 44/2001, a national court must first of all characterise the alleged activities by reference to the autonomous concepts set out in Directive 2001/29, (13) in order to localise one of the elements of alleged liability on the territory of the Member State in which it sits in order, where appropriate, to confirm that it has jurisdiction.(14)
- 24. It is for that reason that I take the view, as the Commission does, that the various relevant exclusive copyrights in this case should be considered separately, notwithstanding the general wording of the questions referred for a preliminary ruling, which refer without distinction to 'copyright'. When that qualification has been made, the lack of relationship between the questions referred and the main proceedings will be more apparent.
- (a) The characterisation of the acts of infringement by reference to the exclusive copyright provided for in Directive 2001/29
- 25. In the first place, there is to my mind no doubt that the alleged copy in CD form of the works in question alleged to have been made by Mediatech comes within the exclusive reproduction right within the meaning of Article 2 of Directive 2001/29. In that respect, I would observe that infringements of the reproduction right assume in principle a strictly territorial dimension. In the present case, so far as the pressing of the CDs is concerned, that territory is Austria. Even if the person who made the unauthorised reproduction also communicated or distributed the content at issue abroad, either acting alone or with the help of an accomplice, the resulting extraterritoriality would be a consequence of the subsequent acts of communication or distribution and not of the act of reproduction itself.
- 26. As regards, in the second place, the alleged online offer of those CDs by the United Kingdom companies, I am of the view that it falls within the scope of the exclusive distribution right provided for in Article 4 of Directive 2001/29. Such an online offer has the objective of transferring the ownership of the material support of content protected by copyright. (15) To my mind, that classification does not differ according to whether that offer was made in a shop or on the internet.
- 27. The difficulty is therefore, above all, in the third place, to determine which exclusive rights relate to the placing online of copyright-protected content in a dematerialised form, which forms the subject-matter of the first question. In that respect, the technological process in question, which has not been identified by the referring court, might consist in 'streaming', the downloading of files stored on a central server, or 'peer to peer' file sharing.
- 28. It seems to me that the intention of the legislature, expressed in recital 23 in the preamble to Directive 2001/29, was that all of those processes should come within the scope of the concept of 'communication to the public' within the meaning of Article 3(1) of that directive, which refers to 'any communication to the public of their works, by wire or

www.ip-portal.eu Page 7 of 15

wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them'. (16) In ITV Broadcasting and Others, (17) moreover, the Court recently held that the retransmission of works in a terrestrial television broadcast made by an organisation other than the original broadcaster by means of an internet stream made available to subscribers who may receive that retransmission by logging on to its server ('live streaming') comes within the concept 'communication to the public'.

- 29. The placing online of songs in a dematerialised form might also, where appropriate, fall within the scope of the exclusive reproduction right within the meaning of Article 2 of Directive 2001/29, which refers to 'temporary or permanent reproduction by any means and in any form'.(18) In particular, the Court has made clear that that concept may apply to the reproduction, even if temporary and in part, by the storing of an extract from a protected work. (19) If the placing online of the songs to which the referring court makes reference constitute an act of reproduction, it seems to me that it would be localised at the place at which it was placed online ('uploaded'). (20)
- 30. It follows that the three transverse categories of exclusive copyright established by Directive 2001/29 are relevant in the main proceedings, so that the basis of the actions against each of the presumed infringing parties is separate and the localisation of the acts that might be imputed to them varies according to the right concerned.
- (b) The consequences of the relevance of the questions for a preliminary ruling
- 31. The Austrian Government disputes the admissibility of the request for a preliminary ruling in its entirety, based on the absence of any relationship between the questions referred and the main proceedings, while the Commission seems to be in favour of partial admissibility, since it distinguishes the question of the infringement of Mr Pinckney's reproduction right, which should be examined, from that of the infringement of his distribution right, which it considers inadmissible.
- 32. As concerns the alleged infringement of the reproduction right on which Mr Pinckney relies, I have already explained that the acts of offering CDs online or placing content online in dematerialised form, which alone form the subject-matter of the questions referred to the Court, come within the distribution right and the communication right respectively. (21) Consequently, I am of the view that there is no need to undertake an examination, which has not been requested by the referring court, of the criteria for the definition of the place in which the harmful event occurred by reference to the infringement of the reproduction right, although that right appears to be the only exclusive right that Mediatech might have infringed.
- 33. As concerns the alleged infringement of the distribution right and communication right, I consider, in the light of the material available to the Court, that

this is a case in which the interpretation of EU law sought has no link with the reality or the subject-matter of the main proceedings.

- 34. In effect, the first question proceeds on the assumption that dematerialised content was placed online, as the Austrian Government observes. However, it is apparent both from the summary account of the factual context in the request for a preliminary ruling and upon reading a contrario the wording of the second question (22) that that situation does not correspond with the facts that gave rise to the dispute before the referring court. According to oft-reiterated case-law, there is therefore no need to answer that first question. (23)
- 35. Nor would the answer which the Court might give to the second question be of any use to the referring court, since that court is dealing not with an action relating to the online distribution of CDs from a website but with an action relating to the reproduction of works resulting from the pressing of CDs in Austria.
- 36. In fact, it is not disputed that the online offer of CDs forming the subject-matter of the second question was made at the initiative of United Kingdom companies, which are not parties to the main proceedings. (24) In reality, the file available to the Court contains no material on which it might be determined whether and to what extent the sole defendant in the main proceedings, Mediatech, directly or indirectly participated in those acts of distribution or communication via the internet.
- 37. In that regard, I observe that the answer that the Court might give to the questions referred to it would be of use to the referring court only if Article 5(3) of Regulation No 44/2001 made it possible to bring the presumed perpetrator of an alleged act of infringement before a court sitting in a Member State in which he is not domiciled on the ground that another alleged act of infringement committed by a third party not a defendant to the action produced its harmful effect in that Member State and the defendant's act was a condition which rendered the subsequent acts of that third party possible.
- However, the Court has recently held that such jurisdiction, based on the presumed unlawful act of a third party who is not a defendant, cannot be established in the place of the harmful event committed by that third party in order to deal with an action against a presumed author who has not himself acted there. (25) Such secondary jurisdiction does not seem to me to exist, either, in the place in which harm resulting from the alleged acts of third parties who are not defendants occurs in a situation such as that at issue in the main proceedings, since the localisation of the damage resulting from an infringement of Mr Pinckney's reproduction right seems to me to be different from the localisation of the damage resulting from an infringement of his distribution communication rights.
- 39. Since the question of the definition of the place in which the harmful act occurs within the meaning of Article 5(3) of Regulation No 44/2001 in the event of

www.ip-portal.eu Page 8 of 15

the crossborder broadcast via the internet of material support media or immaterial content reproducing the protected works is relevant only in an action against the alleged perpetrators of those acts, the two questions referred to the Court do not to my mind meet an objective need for the outcome of the main action.(26)

40. Consequently, I propose that the Court should declare that the request for a preliminary ruling submitted by the Cour de cassation is inadmissible.

### **B** – Alternative observations on the substance

- 41. Since I propose that the Court should reject the request for a preliminary ruling as inadmissible in its entirety, it is purely in the alternative that I shall examine the definition of the 'place where the harmful event occurred' for the purposes of Article 5(3) of Regulation No 44/2001.
- 42. In that regard, I observe that, since the referring court submitted its request, the Court has had occasion to rule in similar questions to those forming the subject-matter of these proceedings in other areas of intellectual property, namely trade marks (27) and, incidentally, the 'sui generis' law on databases. (28) While the guidelines in the case-law on such matters are now undoubtedly clearer, the explanations that might be given by the Court concerning the localisation of an infringement of copyright via the internet for the purposes of determining jurisdiction are none the less still awaited. (29)
- 43. In the light of certain contradictory observations submitted to the Court, (30) I think that it would be useful to recall the scope of the principle of territoriality that characterises that matter before drawing actual consequences in relation to jurisdiction in the event of a complex crossborder infringement of copyright involving the internet, as in the situations mentioned by the referring court.
- 1. The scope of the principle of territoriality of copyright
- 44. The principle of territoriality of copyright is the key to the interaction between the 27 different national regimes which are required to protect the same work in parallel in the European Union. (31)
- 45. That principle, which provides inspiration for the whole of intellectual property law, may be broken down into the threefold dimension of jurisdiction, applicable law and material right. As is apparent from Football Dataco and Others, there is in that respect a close link between all three of those aspects. (32)
- 46. As regards jurisdiction, I consider as a starting point that the principle of territoriality means that the courts of a Member State can deal with infringements of copyright only if and to the extent that the territory in which they have jurisdiction is concerned. That link between territory and jurisdiction may be severed, however, where the court has jurisdiction for the entire case, independently of the localisation of the elements of the dispute, for example where its jurisdiction is based on Article 2 of Regulation No 44/2001. (33)
- 47. As regards the conflict of laws, under Article 8(1) of Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the

law applicable to non-contractual obligations (Rome II), (34) the 'law of the country for which protection is claimed' is exclusively applicable to a non-contractual obligation arising from an infringement of an intellectual property right which is not a 'unitary Community' right and no derogation from that rule is possible. (35) That rule, which is based on a subjective connection which initially leaves the choice of applicable law to the claimant, means that anyone who claims that his copyright has been infringed must seek the protection of national legislation, as there is no copyright outside such legislation. (36) In that regard, that rule of the conflict of laws is not so much a consequence of the principle of territoriality as one of the manifestations of its existence.

- 48. It is therefore in terms of the material right that the idea of territoriality becomes fully effective. From that aspect, it means that the protection of a work by copyright is dependent on national legislation, both from the viewpoint of recognition of that right, which is conditional on compliance with the conditions laid down in the legislation in question, and from the viewpoint of its extent, which is limited to the territory concerned. (37) In other words, copyright is subject, for its existence as well as for its effects, to the frontiers of a legal order. (38) It is at this stage of the reasoning that the territorial scope of the protection provided for by copyright of the Member State whose protection is claimed must be determined. (39)
- 49. It seems indisputable to me that the system of protection of intellectual property, and of copyright in particular, remains, as EU law currently stands, (40) fundamentally dominated by that principle of territoriality. However, the recent case-law of the Court has attenuated certain negative effects of the territoriality of copyright in order to adapt it to the everyday reality of crossborder broadcasting of protected works, in relation both to the criteria of jurisdiction (41) and to the conditions of the existence of an infringement of various intellectual property rights at the material level. (42)
- 50. Consequently, failing legislative intervention in that sense, (43) I am of the view that infringements of copyright which have the specific feature of having been committed via the internet do imply not a revolution in the traditionally territorial approach to that category of rights, but rather a new definition of the way in which the link between virtual conduct and a given territory manifests itself. (44)
- 2. The courts with jurisdiction to deal with an alleged infringement of the various categories of exclusive copyright via the internet
- (a) The framework of the analysis
- 51. It is apparent upon reading together Articles 2 and 5(3) of Regulation No 44/2001 that, in relation to actions brought in order to establish tort or delict, the plaintiff has the option of bringing proceedings either before the courts of the State in which the defendant's domicile is situated or the courts in whose jurisdiction the 'place where the harmful act occurred' or 'is likely to occur' is situated.

www.ip-portal.eu Page 9 of 15

- 52. According to settled case-law, the second basis for jurisdiction is divided into two parts, namely 'the place where the damage occurred' and 'the place of the event giving rise to that damage and, in consequence, the defendant may be sued, at the option of the applicant, in the courts of either of those places'. (45) It is appropriate to consider in turn each of those points of connection in the situation at issue in the main proceedings.
- (b) The localisation of an infringement of the reproduction right
- 53. I have stated earlier that the infringement of an author's reproduction right does not in principle assume any crossborder nature, since the place of the event giving rise to the harm and the place where harm occurred are the same. The harm resulting from the infringement of a reproduction right is entirely brought about by the sole fact of the carrying-out of the act of reproduction and therefore arises in the same place as the latter. (46)
- 54. It follows that, in principle, only the Austrian or United Kingdom courts have jurisdiction to deal with the legal consequences of the pressing of the CDs in Austria or the hypothetical placing of the songs online in the United Kingdom respectively, through the recording of a copy on a host server connected to the internet, (47) and the harm arising therefrom.
- (c) The localisation of an infringement of the distribution right or communication right
- 55. On the contrary, the infringement of the distribution and communication rights is liable to introduce an element of extraneousness, with the consequence that the various elements of the alleged liability are separated and, consequently, the various points of connection for the purposes of the application of Article 5(3) of Regulation No 44/2001 are not the same. The harm resulting from infringements of distribution or communication rights assumes a potential addressee or public, which may be in a different place from that act.
- 56. Where there has been a crossborder infringement of copyright via the internet, the determination of the 'place of the event giving rise to the damage' does not seem to me to have to correspond to any different fundamental principles according to whether it is the infringement of one or the other of those rights that is involved. (48) Like the parties to the proceedings before the Court, I therefore consider that it would be appropriate, if they were admissible, to provide the same answer to the two questions referred.
- (i) The place of the event giving rise to the damage
- 57. As regards the place of the event giving rise to the damage, which confers jurisdiction on the court before which proceedings are brought for all the damage sustained, (49) I believe that the same approach should be taken in respect of copyright as the Court took in Wintersteiger in the field of trade marks, (50) which consists in conferring jurisdiction on the courts of the place of establishment of the alleged infringers as the place where the online sale of CDs –

- for the act of distribution or the uploading of the songs for the act of communication was decided.
- 58. In either case that criterion leads, in the present case, to the United Kingdom courts of the place of establishment of the companies in question being designated and is therefore of only limited interest to the applicant by comparison with the rule on general jurisdiction arising from Article 2(1) of Regulation No 44/2001
- (ii) The place where the damage occurred
- 59. In view of the ubiquity of the broadcast of pirate musical works via the internet, it is with respect to the localisation of the place where the damage resulting from acts of communication or distribution online occurred that the essential part of the difficulties arises. In that regard, the multiplicity of the interpretations proposed to the Court in the present proceedings (51) reflects the varying solutions applied by the courts of the Member States (52) and the numerous proposals made in the literature in that respect. (53)
- 60. It seems to me, however, that the principles for the resolution of those difficulties can henceforth be identified quite clearly in the recent developments in the Court's case-law.
- As regards the material right, the Court has ruled on many occasions on the criteria for localising the infringement of various intellectual property rights via the internet for the purposes of delimiting the scope ratione territoriae of the right protection of which was sought by reference to the reality of the link between the alleged infringement of the intellectual property rights and the territory in question. In those judgments, the Court has systematically favoured a criterion based on whether the site in question was aimed at the public of the European Union or of a Member State, respectively. (54) It recently explained the content of that criterion, stating that the activity of the site must reveal 'the intention on the part of its performer to target persons in that territory'. (55) I would observe that that condition of targeting applies independently of the material or immaterial support medium of the alleged infringement. (56)
- 62. As regards jurisdiction, the Court has not yet been called upon to adjudicate directly on the criteria for localising the place where the damage occurs for the purposes of designating the competent court in the event of an alleged infringement of an intellectual property right which has not been recorded via the internet. (57) However, it is self-evident that the solutions applied by the Court at the level of substantive law cannot automatically be transposed to the rules for determining jurisdiction.
- 63. None the less, such solutions could provide useful inspiration for the interpretation of Article 5(3) of Regulation No 44/2001, since there is a particular interest in that being so. To my mind, it follows from Football Dataco and Others that the Court sought to ensure consistency in its case-law, by aligning the localisation criteria for the purposes of designating the competent court with those defined for the purposes of delimiting the territorial scope of a national regime for

www.ip-portal.eu Page 10 of 15

to Advocate General Cruz Villalón, of the question of jurisdiction, the Court, after citing the relevant provisions of Regulation No 44/2001, considered that 'the question of the localisation of the acts of sending at issue in the main proceedings, which Football Dataco and Others claim[ed had] caused damage to the substantial investment involved in creating the Football Live database, [was] liable to have an influence on the question of the jurisdiction of the referring court'. (58) In this instance, concerning an alleged infringement of certain categories of exclusive copyright via the internet, it seems to me that the approach to localisation developed by the Court at the substantive level in the abovementioned judgments could also be followed when determining the place where the damage occurred for the purposes of the application of Article 5(3) of Regulation No 44/2001. I consider that analysis to be supported by the specific nature of the damage resulting from an infringement of distribution and communication rights within the meaning of Directive 2001/29. As that infringement may be analysed as a failure to profit from the unauthorised broadcast of the works, it seems to me to be appropriate to favour a court that would be designated following an analysis of the way in which the activity was aimed at a given public by the internet site in question, an approach described in the literature as the 'theory of focalisation'. (59) The court thus designated would have only jurisdiction limited to the damage that has arisen on the territory (60) deliberately targeted by the alleged perpetrator of the infringement. (61)

the protection of the 'sui generis' right in databases. In

effect, when questioned about the localisation of an act

involving the sending of data, independently, according

- 65. Thus, I propose that the Court should confirm the direction thus taken and extend it to copyright, having already emphasised that the principle of territoriality gives rise to a particular link between the extent of the scope ratione territoriae of the applicable national legislation and that of jurisdiction, although those two aspects remain separate and must not be confused with each other. (62)
- 66. In order to implement such a link, the Court might take inspiration from the non-exhaustive criteria identified in Pammer and Hotel Alpenhof, (63) although I should make clear that in my view those criteria should be applied by the national courts with a certain flexibility, taking into account, in particular, the nature of the activity at issue.
- 67. A further point must be made concerning the need to adapt the scope of the basis for jurisdiction resulting from Article 5(3) of Regulation No 44/2001 to the harm suffered via the internet. In principle, the rules on jurisdiction laid down in Article 5 of that regulation lead to the designation of a specific court, with special jurisdiction, and not to all the courts of a Member State. (64) However, since the point of connection applied is the place at which the activity of the website is aimed, I consider that Article 5(3) of that regulation should be interpreted as meaning that it confers jurisdiction on

each of the courts of the Member State whose public is targeted,(65) on condition that they have, under the national procedural rules, jurisdiction ratione materiae for disputes relating to copyright. Furthermore, such jurisdiction could exist only subject to special national rules reserving disputes relating to harm occurring in several places to certain courts, for example those of the national capital.

- I should make clear that to my mind the criterion of accessibility, according to which the potential harm is considered to arise in all the places from which the website in question can be consulted, should be rejected. Such a point of connection would encourage forum shopping, contrary to the case-law of the Court, which has consistently attempted to curb that risk in its interpretation of Regulation No 44/2001. I observe, moreover, that the criterion of the place where protection is sought, advanced by Mr Pinckney, would mean that the choice of court in which to bring proceedings would be as wide as if the criterion of accessibility were to apply, since copyright is automatically protected in the legal orders of all Member States. I am opposed to such a multiplication of courts with jurisdiction, for reasons to do with both the principle of territoriality and the objectives of foreseeability and the sound administration of justice pursued by that regulation. (66)
- 69. Mr Pinckney proposes an alternative, which consists in extending the criterion of the place of the centre of interests of the victim resulting from eDate Advertising and Martínez to infringements of copyright rights committed on the internet, which would permit a concentration of the resolution of the dispute by conferring jurisdiction on the courts of that place for the entire damage. It seems to me that that choice would help to generalise the jurisdiction of the forum actoris. Such an interpretation might well deprive Article 2 of Regulation No 44/2001 of its practical effect and distort the legislature's intention expressed in the requirement of a close link between the action and the special court in Article 5(3) of that regulation.
- 70. In effect, the non-material damage that might result from an infringement of the reputation or the private life of an individual is, as a general rule, more intense in the place where he has the centre of his interests, a matter that naturally clashes with the jurisdiction rules. Conversely, 'that assessment ... does not apply also to the determination of jurisdiction in respect of infringements of intellectual property rights'. (67) The material damage resulting from the infringement of one of the categories of exclusive copyright referred to above does not have the necessary link with the localisation of the centre of the author's interests, but rather with the localisation of his public. (68)
- 71. Consequently, in the alternative, if the Court should declare the request for a preliminary ruling admissible, I propose that the questions referred to it should be answered together, as follows: Article 5(3) of Regulation No 44/2001 must be interpreted as meaning that in proceedings relating to an alleged infringement

www.ip-portal.eu Page 11 of 15

of the exclusive distribution right by the online sale of material support media reproducing content protected by copyright or of the exclusive communication right by the placing online of dematerialised content, the person claiming to have been harmed may bring proceedings either before the courts of the place of establishment of the persons who sold the compact discs (CDs) online or placed the content online in order to seek compensation for all the damage suffered, or before the courts of the Member State at which the website in question aims its activity in order to seek compensation for the damage suffered on that territory.

### V - Conclusion

- 72. Consequently, I propose that the Court should declare that the request for a preliminary ruling submitted by the Cour de cassation (France) is inadmissible.
- In the alternative, if the Court should declare the request for a preliminary ruling admissible, I propose that the questions for a preliminary ruling referred by the Cour de cassation be answered together, as follows: Article 5(3) of Council Regulation (EC) No 44/2001 of 22 December 2000 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters must be interpreted as meaning that in proceedings relating to an alleged infringement of the exclusive distribution right by the online sale of material support media reproducing content protected by copyright or of the exclusive communication right by the placing online of dematerialised content, the person claiming to have been harmed may bring proceedings either before the courts of the place of establishment of the persons who sold the compact discs (CDs) online or placed the content online in order to seek compensation for all the damage suffered, or before the courts of the Member State at which the website in question aims its activity in order to seek compensation for the damage suffered on that territory.
- 1 Original language: French.
- 2 OJ 2001 L 12, p. 1.
- 3 Case C-324/09 [2011] ECR I-6001.
- 4 Joined Cases C-509/09 and C-161/10 [2011] ECR I-10269
- 5 I note that no substantial change was made to the relevant provisions at the time of the revision of Regulation No 44/2001 by Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ 2012 L 351, p. 1).
- 6 The case-law on the interpretation of Article 5(3) of the Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters (OJ 1972 L 299, p. 32), as amended by the successive conventions relating to the accession of the new Member States to that convention, is also valid for the interpretation of the equivalent provisions of Regulation No 44/2001, as the Court observed in Case

C-133/11 Folien Fischer and Fofitec [2012] ECR, paragraphs 31 and 32.

- 7 OJ 2001 L 167, p. 10. In view of the wording of the questions for a preliminary ruling, which refer only to copyright, the provisions relating to neighbouring rights have not been reproduced, although Mr Pinckney is likely to benefit from the protection provided for by certain of those provisions in his alleged capacity as performer of the songs in question.
- 8 See, in particular, Case C-197/10 Unió de Pagesos de Catalunya [2011] ECR I-8495, paragraph 17 and the case-law cited.
- 9 See, in particular, Case C-571/10 Kamberaj [2012] ECR, paragraph 42 and the case-law cited.
- 10 Since it is for the Court, as for all courts, to determine whether it has jurisdiction; Case C-241/09 Fluxys [2010] ECR I-12773, paragraph 31 and the case-law cited.
- 11 See, in particular, Case C-94/07 Raccanelli [2008] ECR I-5939, paragraph 29.
- 12 See, in particular, Joined Cases C-92/09 and C-93/09 Volker und Markus Schecke and Eifert [2010] ECR I-11063, paragraphs 40 to 42 and the case-law cited.
- 13 See, in particular, Case C-5/11 Donner [2012] ECR, paragraph 25.
- 14 See, to that effect, J. Fawcett and P. Torremans, Intellectual Property and Private International Law, Oxford University Press, 2011, p. 561, No 10.86, and p. 564, No 10.95.
- 15 That characterisation is supported by recital 29 in the preamble to Directive 2001/29, which contrasts online services and physical carriers, and is itself based on the 'Common declaration concerning Articles 6 and 7' of the WIPO Copyright Treaty (WCT) adopted in Geneva on 20 December 1996, approved on behalf of the European Union by Council Decision 2000/278/EC of 16 March 2000 (OJ 2000 L 89, p. 6).
- 16 On the contrary, I do not believe that the Court's reasoning in Case C-128/11 UsedSoft [2012] ECR can be transposed to the present case. In that judgment the Court considered that there is no need to distinguish between downloading a computer program from an internet site and its delivery on CD-ROM, as both of those processes come within the concept of 'distribution' within the meaning of Article 4 of Directive No 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs (OJ 2009 L 111, p. 16). However, the Court had emphasised the specific nature of that solution in the context of that directive, which constitutes a lex specialis in relation to Directive 2001/29, which is relevant in the present case (paragraphs 51, 56 and 60 of the judgment).
- 17 Case C-607/11 [2013] ECR.
- 18 According to Article 9(3) of the Convention on the Protection of Literary and Artistic Works signed in Berne on 9 September 1886, in the version following the amendment of 28 September 1979 ('the Berne

www.ip-portal.eu Page 12 of 15

Convention'), '[a]ny sound or visual recording shall be considered ... a reproduction'. However, Article 5(1) of Directive 2001/29 exempts temporary acts of reproduction 'which are transient or incidental [and] an integral and essential part of a technological process' and 'which have no independent economic significance', subject to a condition relating to their purpose, which must be 'a transmission in a network between third parties by an intermediary' or 'a lawful use'.

19 – Case C-5/08 Infopaq International [2009] ECR I-6569, paragraph 51.

20 – See, to that effect, U. Magnus and P. Mankowski, European Commentaries on Private International Law, Brussels I Regulation, 2nd Ed., Sellier, Munich, 2012, No 226, p. 250. The internet allows the circulation of content beyond borders, but the act of transferring files itself may be localised. In the situation to which the Cour de cassation refers, the act of reproduction is of a 'technological' nature, in that it exists only for the purpose of another act, in this instance an act of communication that may be covered by Article 5(1) of Directive 2001/29.

21 – While the placing online of dematerialised content is in theory likely to require the production of a digital copy and also to be covered by the reproduction right, in so far as that reproduction is not covered by Article 5(1) of Directive 2001/29, as I explained at point 29 of this Opinion, I shall not examine this aspect further, as it is purely hypothetical by reference to the questions referred.

22 – Which distinguishes the placing on line of dematerialised content to the case, 'as in the present case, from the online sale of a material carrier medium' (emphasis added).

23 – See, in particular, Case C-466/04 Acereda Herrera [2006] ECR I-5341, paragraph 51, and Case C-459/07 Elshani [2009] ECR I-2759, paragraph 44.

24 – I would add that it is apparent from Mr Pinckney's appeal on a point of law, which is annexed to the request for a preliminary ruling, that Mr Pinckney did not rely before the French courts on the complicity of the Austrian company in the activities of the United Kingdom companies.

25 - Case C-228/11 Melzer [2013] ECR.

26 – According to the words used by the Court in Case C-18/93 Corsica Ferries [1994] ECR I-1783, paragraph 14 and the case-law cited. See, in particular, by analogy, Volker und Markus Schecke and Eifert, paragraphs 41 and 42; Case C-313/07 Kirtruna and Vigano [2008] ECR I-7907, paragraphs 30 and 31; and also Case C-567/07 Woningstichting Sint Servatius [2009] ECR I-9021, paragraphs 45 and 46.

27 - Case C-523/10 Wintersteiger [2012] ECR.

28 – Within the meaning of Chapter III of Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases (OJ 1996 L 77, p. 20), in Case C-173/11 Football Dataco and Others [2012] ECR.

29 – See, illustrating the multiple interpretations of the Court's case-law, M.-E. Ancel, 'Quel juge en matière de contrefaçon?', in C. Nourissat and É. Treppoz (ed.), Droit international privé et propriété intellectuelle, Ed. C. Nourissat and É. Treppoz, Lamy, 2010, p. 173; É. Treppoz, 'Droit européen de la propriété intellectuelle', RTDE 47 (4), October-December 2011, p. 847; T. Azzi, commentary on the judgment Cass. Civ. 1, 12 July 2012, No 11-15.165, Journal du droit international (Clunet), No 1, January 2013, 2, No 22 et seq.

30 – The Polish Government refers to the universal nature of copyright protection in the EU, while Mr Pinckney and the Commission emphasise that the principle of territoriality is predominant in that matter.

31 – In spite of the harmonisation of certain of its aspects by the seven sectoral or general directives adopted in the EU in that area since 1991. See, on that subject, point 3 of the Opinion of Advocate General Mengozzi in Case C-521/11 Amazon International Sales and Others, pending before the Court.

32 – In that judgment the Court, which had been requested to rule on a question relating to the localisation of an act of 're-utilisation' within the meaning of Article 7 of Directive 96/9, considered it necessary to reason jointly on the material and private international law levels.

33 – To my mind, such general jurisdiction does indeed exist in intellectual property matters, as suggested at paragraph 30 of Wintersteiger, where it was held that 'the territorial limitation of the protection of a national mark is not such as to exclude the international jurisdiction of courts other than the courts of the Member State in which that trade mark is registered'.

34 – OJ 2007 L 199, p. 40.

35 – That solution, which, according to recital 26 in the preamble to that regulation, is 'universally acknowledged', is consistent with that provided for in Article 5(2) of the Berne Convention.

36 – P. Huber and M. Illmer, Rome II Regulation, Sellier, Munich, 2011, Article 8, paragraphs 29 to 31 and 34, p. 241.

37 – See, in particular, with respect to copyright, Case C-192/04 Lagardère Active Broadcast [2005] ECR I-7199, paragraph 46. It should be added that regional rights regimes for intellectual property rights exist, such as the Community and Benelux trade marks.

38 – It being noted that it follows from Article 5(1) of the Berne Convention that foreign works and authors enjoy the same protection as national works and authors do.

39 – See, by analogy, Football Dataco and Others, paragraph 28.

40 – The Commission is currently studying the feasibility of revising EU copyright with respect, in particular, to territoriality (COM(2012) 789 final).

41 – Wintersteiger and Football Dataco and Others.

42 – See, concerning an infringement of an exclusive distribution right in the context of crossborder distance selling operations, Donner, and also, concerning an online infringement of a Community trade mark, L'Oréal and Others.

www.ip-portal.eu Page 13 of 15

- 43 See, regarding radio broadcasting by cable and satellite, which in principle gives rise to the same location difficulties as the internet, the single point of connection adopted by the Community legislature in order to centralise the applicable law, is the control and responsibility of the related copyright in a State, Article 1(2)(b) of Council Directive 93/83/EEC of 27 September 1993 on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission (OJ 1993 L 248, p. 15).
- 44 Thus, as regards infringement of the rights of personality, the Court adapted the criteria defined in Case C-68/93 Shevilland Others [1995] ECR I-415 to the particular features of broadcasting via the internet in eDate Advertising and Martínez.
- 45 That option has been accepted since Case 21/76 Bier [1976] ECR 1735, paragraph 19, and has been repeated many times, notably in Folien Fischer and Fofitec, paragraphs 39 and 40.
- 46 It will be recalled that it follows from Case C-364/93 Marinari [1995] ECR I-2719, paragraph 15, and Case C-168/02 Kronhofer [2004] ECR I-6009, paragraph 20, that the place of the 'place where the victim's assets are concentrated', in which the consequences of any economic damage are ultimately felt, is not the place in which the damage occurred.
- 47 On the assumption that the technological process employed does indeed entail a reproduction.
- 48 J. Fawcett and P. Torremans, op. cit., p. 575, No 10.157.
- 49 This results from paragraph 25 of Shevill and Others and was confirmed in Wintersteiger, in spite of the principle of territoriality in relation to trade mark infringement (paragraph 30).
- 50 Paragraph 37 of the judgment.
- 51 Almost all the parties to the proceedings before the Court have suggested a different point of connection – Mr Pinckney alone has suggested three alternative definitions.
- 52 See, in particular, in favour of jurisdiction solely by reason of the accessibility of the website through which the infringement of copyright occurred, in Sweden, the decision of the Svea hovrätt of 4 February 2008 (RH 2008:4); contra, in Germany, the decision of the Oberlandesgericht Köln (30.10.2007, GRUR-RR 2008, 71), requiring intentional direction of the activity of the website. For an account of the solutions applied in the United States, see J. Hörnle, 'The jurisdictional challenge of the Internet', in L. Edwards, Law and the Internet, Hart Publishing, Oxford, 2009, p. 143.
- 53 Private international law on intellectual property, and copyright in particular, has been the source of great interest to writers for around the last 15 years, leading to the development of different methods of resolving conflicts as to jurisdiction. See, in particular, on alternative heads of jurisdiction to the residence of the defendant, the CLIP Principles of the European Group of the Max Planck Institute on the conflict of laws in intellectual property (Articles 2:202 and 2:203) and also the Principles Governing Jurisdiction, Choice of

- Law, and Judgments in Transnational Disputes relating to intellectual property adopted by the American Law Institute (ALI) (article 204), referred to, in particular, by A. Metzger, 'Jurisdiction in Cases Concerning Intellectual Property Infringements on the Internet', in S. Leible and A. Ohly, Intellectual Property and Private International Law, Mohr Siebeck, Tübingen, 2009, p. 251
- 54 See, concerning national and Community trade marks, L'Oréal and Others, paragraph 65; concerning an alleged infringement of an author's exclusive distribution right, Donner, paragraph 27; and also, regarding the infringement of the 'sui generis' right over a database, Football Dataco and Others, paragraph 39
- 55 Football Dataco and Others (paragraph 39).
- 56 Since Donner dealt with crossborder furniture sales operations, while L'Oréal and Others and Football Dataco and Others related to online activities.
- 57 For obvious reasons to do with the automatic nature of copyright protection, the criterion of the place of recording as the place where the damage occurred established by the Court for infringements of national trade marks via the internet in Wintersteiger, cannot be applied to infringements of copyright.
- 58 Point 2 of the Opinion of Advocate General Cruz Villalón in Football Dataco and Others and paragraph 30 of that judgment.
- 59 On this point, see also points 49 to 55 of my Opinion in Case C-462/09 Stichting de Thuiskopie [2011] ECR I-5331.
- 60 The extent of the jurisdiction of the courts of the place where the damage occurred is limited to damage that occurred on the territory of the Member State in question (Shevill and Others, paragraphs 28 and 30).
- 61 Criterion defined at paragraph 39 of Football Dataco and Others.
- 62 For analyses in the literature underlining the interest in taking a joint approach to these aspects, see, inter alia, H. Gaudemet-Tallon, 'Droit international privé de la contrefaçon: aspects actuels', Recueil Dalloz, 2008, p. 725, paragraph 8; M. Vivant, Lamy Droit du Numérique, Lamy, 2012, No 2383; and Azzi, T., op. cit., paragraph 24.
- 63 Joined Cases C-585/08 and C-144/09 Pammer and Hotel Alpenhof [2010] ECR I-12527, paragraphs 78 to 89. Criteria as applied, in particular, at paragraphs 40 to 43 of Football Dataco and Others.
- 64 With the exception of Article 5(6) of that regulation. See, to that effect, point 34 of my Opinion in Melzer.
- 65 By definition, the direction of the activity of the website most often takes place to the public of a State than towards the public coming within a particular jurisdiction.
- 66 See, for a criticism of such a connection, A. Lopez -Tarruella, 'The International Dimension of Google Activities: Private International Law and the Need of Legal Certainty', Google and the Law, Springer, The Hague, 2012, p. 329.

www.ip-portal.eu Page 14 of 15

67 – Wintersteiger (paragraph 24). 68 – See also point 20 of the Opinion of Advocate General Cruz Villalón in Wintersteiger.

Page 15 of 15 www.ip-portal.eu