

ALAI Congress 2018: International Injunctions, Google Inc. v. Equustek Solutions Inc., 2017 SCC 34

Barry Sookman 416-601-7949 E-mail bsookman@mccarthy.ca





Welcome to Equustek Solutions



Since 1988 Equustek has been specializing in the manufacture and design of gateways, bridges, and custom protocol conversion communication products that will allow you complete system integration. They allow industrial automation equipment the ability to exchange data over popular industrial networks .

Our expertise is interfacing PC's, SCADA Systems, A-B PLC's, SLC's, computers, modems, variable speed drives and OEM equipment to Modicon's Modbus, Allen Bradley Data

Highway Plus (DH+), DH485, and Remote I/O. We also develop adapters that interface Industrial Ethernet (Ethernet I/P, TCP/IP, Modbus TCPIP), Profibus, and DeviceNet protocols.

- Causes of action against Datalink defendants:
 - Trade secret misappropriation and conspiracy to steal trade secrets
 - Breach of restrictions in distributor agreement
 - Violation of common law trademark rights (passing off)
 - Copyright infringement in manuals
- Equustek obtained injunctions against Defendants.
 - Mareva and Confidentiality Injunctions
 - ¬ Disobeyed → contempt order

- Equustek requests Google's assistance. Google agrees to de-index if Equustek obtains a website injunction.
- Equustek obtains a worldwide interlocutory injunction prohibiting defendants from operating or carrying on business through any website and to take down specific websites. (Google appears with Equustek to get the order)
- Google voluntarily agrees to de-index specific URLs (web pages) on web sites on google.ca, not entire sites.
- ¬ URL de-indexing not effective wac-a-mole.
- Equustek applies to British Columbia courts for worldwide deindexing order against Google. Successful before lower courts.

The court can grant injunctions against an "innocent" search engine

- 1. "injunctions may be issued 'in all cases in which it appears to the court to be just or convenient that the order should be made . . . on terms and conditions the court thinks just".
- ¬ 2. "if a non-party violates a court order, it can be enjoined if its conduct would obstruct the course of justice".
- 3. Equitable protective jurisdiction "Much like a Norwich order or a Mareva injunction against a non-party, the interlocutory injunction in this case flows from the necessity of Google's assistance in order to prevent the facilitation of Datalink's ability to defy court orders and do irreparable harm to Equustek. Without the injunctive relief, it was clear that Google would continue to facilitate that ongoing harm."

The court can grant injunctions with extraterritorial effects.

- when "a court has in personam jurisdiction, and where it is necessary to ensure the injunction's effectiveness, it can grant an injunction enjoining that person's conduct anywhere in the world".
- Court refers approvingly to EU decisions referred to by BCCA intervenors PFIAF and IFPI:
 - APC v. Auchan Telecom, 11/60013, Judgment (28 November 2013)
 (Tribunal de Grande Instance de Paris)
 - ¬ McKeogh v. Doe (Irish High Court, case no. 20121254P)
 - Mosley v. Google, 11/07970, Judgment (6 November 2013) (Tribunal de Grande Instance de Paris)
 - Mosley v. Google (see "Case Law, Hamburg District Court: Max Mosley v. Google Inc
 - Google Spain SL, Google Inc. v. Agencia Española de Protección de Datos, Mario Costeja González, C-131/12 [2014], CURIA.

A worldwide injunction was necessary

"The problem in this case is occurring online and globally. The Internet has no borders — its natural habitat is global. The only way to ensure that the interlocutory injunction attained its objective was to have it apply where Google operates — globally... If the injunction were restricted to Canada alone or to google.ca, as Google suggests it should have been, the remedy would be deprived of its intended ability to prevent irreparable harm. Purchasers outside Canada could easily continue purchasing from Datalink's websites, and Canadian purchasers could easily find Datalink's websites even if those websites were de-indexed on google.ca. Google would still be facilitating Datalink's breach of the court's order which had prohibited it from carrying on business on the Internet. There is no equity in ordering an interlocutory injunction which has no realistic prospect of preventing irreparable harm."

The worldwide order did not violate principles of international comity

- Google argued that a global injunction violated the principle of international comity because it was an order that could not have been obtained in a foreign jurisdiction, or that to comply with it would result in Google violating the laws of that jurisdiction.
- "As Fenlon J. noted, 'Google acknowledges that most countries will likely recognize intellectual property rights and view the selling of pirated products as a legal wrong'."

The worldwide order did not violate freedom of speech rights

- "And while it is always important to pay respectful attention to freedom of expression concerns, particularly when dealing with the core values of another country, I do not see freedom of expression issues being engaged... As Groberman J.A. concluded:
 - In the case before us, there is no realistic assertion that the judge's order will offend the sensibilities of any other nation. It has not been suggested that the order prohibiting the defendants from advertising wares that violate the intellectual property rights of the plaintiffs offends the core values of any nation. The order made against Google is a very limited ancillary order designed to ensure that the plaintiffs' core rights are respected.
 - be varied by the court. In the unlikely event that any jurisdiction finds the order offensive to its core values, an application could be made to the court to modify the order so as to avoid the problem...

The worldwide order did not violate freedom of speech rights

- Google's right to seek a rectifying order, it hardly seems equitable to deny Equustek the extraterritorial scope it needs to make the remedy effective, or even to put the onus on it to demonstrate, country by country, where such an order is legally permissible. We are dealing with the Internet after all, and the balance of convenience test has to take full account of its inevitable extraterritorial reach when injunctive relief is being sought against an entity like Google.
- This is not an order to remove speech that, on its face, engages freedom of expression values, it is an order to deindex websites that are in violation of several court orders. We have not, to date, accepted that freedom of expression requires the facilitation of the unlawful sale of goods."

The balance of convenience favoured making the order

- Google did not suggest that it would be inconvenienced in any material way, or would incur any significant expense, in de-indexing the Datalink websites. It acknowledges, fairly, that it can, and often does, exactly what is being asked of it in this case, that is, alter search results. It does so to avoid generating links to child pornography and websites containing "hate speech". It also complies with notices it receives under the US Digital Millennium Copyright Act...to de-index content from its search results that allegedly infringes copyright, and removes websites that are subject to court orders...
- ¬ since the interlocutory injunction is the only effective way to mitigate the harm to Equustek pending the resolution of the underlying litigation, the only way, in fact, to preserve Equustek itself pending the resolution of the underlying litigation, and since any countervailing harm to Google is minimal to non-existent, the interlocutory injunction should be upheld."

Subsequent litigation

Google LLC v. Equustek Solutions Inc. 2017 WL 5000834 (Nov 2, 2017). California court issues order enjoining Equustek from enforcing order against Google because of Section 230 of Communications Decency Act.

Equustek Solutions Inc. v. Jack, 2018 BCSC 610

"The effect of the U.S. order is that no action can be taken against Google to enforce the injunction in U.S. courts. That does not restrict the ability of this Court to protect the integrity of its own process through orders directed to parties over whom it has personal jurisdiction."

Implications for copyright enforcement?

- Equitable principles support de-indexing orders where search engines facilitate infringements.
- As copyright is territorial, would foreign claims be justiciable in a single jurisdiction? Lucasfilm Ltd & Ors v Ainsworth & Anor [2011] UKSC 39 (27) July 2011) "There are no issues of policy which militate against the enforcement of foreign copyright. States have an interest in the international recognition and enforcement of their copyrights, as the Berne Convention... shows...Nor is there any objection in principle to a restraint on acts in another country. Extra-territorial injunctions are commonly granted here against defendants subject to the in personam jurisdiction. The Court of Appeal also thought that it was relevant that there was no international regime for the mutual recognition of copyright jurisdiction and of copyright judgments, but this is no reason for the English court refusing to take jurisdiction over an English defendant in a claim for breach of foreign copyright."
- ¬ Types of cases for international enforcement?

VANCOUVER

Suite 1300, 777 Dunsmuir Street P.O. Box 10424, Pacific Centre Vancouver BC V7Y 1K2 Tel: 604-643-7100 Fax: 604-643-7900

Toll-Free: 1-877-244-7711

CALGARY

Suite 3300, 421 7th Avenue SW Calgary AB T2P 4K9 Tel: 403-260-3500 Fax: 403-260-3501 Toll-Free: 1-877-244-7711

TORONTO

Box 48, Suite 5300 Toronto Dominion Bank Tower Toronto ON M5K 1E6 Tel: 416-362-1812 Fax: 416-868-0673 Toll-Free: 1-877-244-7711

OTTAWA

Suite 200, 440 Laurier Avenue West Ottawa ON K1R 7X6 Tel: 613-238-2000 Fax: 613-563-9386 Toll-Free: 1-877-244-7711



MONTRÉAL

Suite 2500 1000 De La Gauchetière Street West Montréal QC H3B 0A2 Tel: 514-397-4100 Fax: 514-875-6246 Toll-Free: 1-877-244-7711

QUÉBEC

Le Complexe St-Amable 1150, rue de Claire-Fontaine, 7e étage Québec QC G1R 5G4 Tel: 418-521-3000 Fax: 418-521-3099 Toll-Free: 1-877-244-7711

UNITED KINGDOM & EUROPE

125 Old Broad Street, 26th Floor London EC2N 1AR UNITED KINGDOM Tel: +44 (0)20 7489 5700 Fax: +44 (0)20 7489 5777