



Federal Court rules on Dallas Buyers Club

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If you illegally downloaded the Oscar-winning film Dallas Buyer's Club you won't be hearing from its owners...for now. Copyright holders hoping to prosecute Australian's who have illegally downloaded content will be rethinking their approach after the decision handed down by the Federal Court on Friday.

BACKGROUND

Back in April, Dallas Buyers Club LLC applied to the Federal Court to force certain internet service providers (iiNet, Dodo etc) to hand over the personal details of all people who had allegedly illegally downloaded the movie.

While agreeing that the owners of the movie had a right to seek damages from these illegal downloaders, the Judge ruled that prior to release of personal details, any correspondence that the copyright holders were to send these 'pirates' had to be approved by the Court.

FRIDAY'S RULING

Justice Perram ruled that the draft letter lodged with the Court by the movie's owners was not suitable in its current form as it had overreached in its demands by seeking damages based on the alleged downloaders uploading

activity of the film, and additional damages for that person's illegal downloading history. Also, critically, there was no demand for a specific amount of money.

Justice Perram ruled that these two amounts could never be recovered and that the general approach taken by Dallas Buyers Club LLC was indicative of a practice known as 'speculative invoicing' whereby movie studios send huge monetary demands to alleged downloaders with the threat of legal action in the hope that they settle and pay the money.

WHAT'S THE UPSHOT?

This ruling effectively means that, while Dallas Buyers Club LLC and other rights owners are not prevented from contacting illegal downloaders in the future, the only compensation they will be able to demand will be limited to the costs of contacting the alleged downloader and the cost of purchasing the film legally. To prevent the movie's owners from attempting to demand those damages, Justice Perram has required them to sign an undertaking and post a \$600,000 bond as security against those obligations, before any letter can be sent to alleged downloaders.

ClarkeKann will keep you updated as to the progress of this interesting case.

FOR MORE INFORMATION, PLEASE CONTACT:



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