

CASES OF MISPLACED TECHNOLOGY

If we uncover a trade secret by accident, does the law give us a right to disclose it? Or are we in the wrong? *By Kirk Teska*

SAY SOME REALLY GOOD INTEL REGARDING A CERTAIN TECHNOLOGY FALLS INTO YOUR LAP. You know or at least suspect that whoever gave you the information wasn't supposed to. What can you do with this newly acquired knowledge? Tell other people? Blog about it?

Cases like these are hard and sometimes force intellectual property protections into a clash with freedom of speech protections under the First Amendment of the U.S. Constitution.

By now you might have heard the story of how a prototype of Apple's new iPhone made its way onto the Web. Supposedly, an Apple employee forgot his prototype next-generation iPhone in a bar and it ended up at gizmodo.com—a Web site devoted to technology. The folks at Gizmodo tore into the iPhone, confirmed its authenticity, and then put photographs of the phone along with a list of its new features on the gizmodo.com site. Apple, rather than suing, at least so far, simply asked for the prototype phone back and Gizmodo complied.

Could Apple sue Gizmodo? For what? Would the First Amendment protect Gizmodo? The answer to that depends on several factors and, to a certain extent, the particular court that hears the case.

In one earlier case, a student by the name of Robert Lane was given secret photos, blueprints, and other documents pertaining to Ford automobiles that had not yet been brought to market. When Lane published these documents on his Web site in 1998, Ford sued alleging violations of the trade secret laws. But, a judge refused to force Lane to take the information off his Web site. The reason was the First Amendment's general prohibition against restraining speech. Sounds good for Gizmodo.

But, in another case only a year later, the First Amendment was of no help. In that case, Andrew Bunner posted on his Web site a DVD decryption program developed by someone else. Since Bunner knew or should have known the DVD decryption program contained trade secrets (in this case encryption secrets of the DVD Copy Control Association Inc.) and since publication of the program was not a matter of public importance, a different court held Bunner could be required to take the program off his Web site. This case, then, is a point in Apple's favor.

Other previous cases would favor Gizmodo but still others would favor Apple. Meanwhile, legal scholars debate the correct interplay between IP protection and the First Amendment. According to Andrew Beckerman-Rodau, a Suffolk Law School professor who studies and writes about these kinds of cases, "the Lane and Bunner cases represent a conflict between the property rights protected by trade secrets law and free speech rights." He believes

the Lane case is an aberration and that most courts will follow the Bunner case.

Don't be fooled into thinking that since Gizmodo didn't steal the iPhone then Gizmodo can't be held responsible for talking about it. Many states have fairly broad trade secret laws which would hold Gizmodo liable if it knew or reasonably should have known the prototype iPhone was Apple's secret. The real question is, given the particular facts, does the First Amendment trump state trade secret laws?

It also might be important that the intelligence in this case was a thing; not a document. Posting unauthorized copies of documents on a Web site can be a copyright violation and the First Amendment doesn't usually interfere with the Copyright Act unless there is a "fair use" exception—news reporting, for example.

On the other hand, the ultimate authority on the First Amendment, the United States Supreme Court, generally loathes limiting free speech for any reason. In fact, while the Gizmodo situation was unfolding, the Supreme Court struck down a U.S. law criminalizing movies depicting acts of cruelty to animals. Sounds like a legitimate law, but the court found it overly broad. It was also the Supreme Court which allowed *the New York Times*, back in the early '70s, to publish the Pentagon Papers—a top secret government report the *Times* obtained from an intermediary.

Maybe Apple shouldn't take any action and should quietly let this story die. In another case, e-mails from Diebold Inc., concerning security vulnerabilities of the company's electronic voting technology, began appearing on various Web sites. Diebold, using the Digital Millennium Copyright Act, sent cease and desist letters to the organizations hosting the sites where the e-mails were posted. But, the overall effect was to draw even more attention to Diebold's security vulnerabilities. At the end of the day, Diebold shut down its enforcement effort.

Apple might learn something from that case. Besides, from what I can tell, Gizmodo worships Apple. And, what good would it do to force Gizmodo to pull its story now? The cat will not go back into the bag once the cat hits the Internet.

Aside from the legal considerations which have yet to be thoroughly worked out by the courts, perhaps we would all be a little better off if we remember what our mother's told us: If it isn't yours or you don't have permission to use it, hands off. ■

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