Website Operators and Misappropriators Beware - The California Supreme Court Holds a Preliminary Injunction Prohibiting Internet Posting of DVD Decryption Source Code Does Not Violate the First Amendment in DVD Copy Control Association, Inc. v. Bunner

Nick Washburn

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WEBSITE OPERATORS AND MISAPPROPRIATORS BEWARE!
THE CALIFORNIA SUPREME COURT HOLDS A PRELIMINARY
INJUNCTION PROHIBITING INTERNET POSTING OF
DVD DECRYPTION SOURCE CODE DOES NOT
VIOLATE THE FIRST AMENDMENT IN
DVD COPY CONTROL ASSOCIATION, INC. V. BUNNER

I. INTRODUCTION

A. DVDs, CSS, and the Creation of the DVD CCA

Digital versatile discs ("DVDs") are small discs capable of holding enough information to display a full-length motion picture which can be played on a personal DVD player.1 DVDs were created in the early 1990s to provide higher visual and audio quality in displaying motion pictures over then existing analog tapes.2 The digital format of DVDs allows for the possibility of quick, efficient, and widespread copying of a disc's contents.3 Originally, the digital contents of any given DVD could be quickly copied and easily distributed to users across the Internet.4 Fearing this risk, movie stu-

1. See Universal City Studios, Inc. v. Corley, 273 F.3d 429, 436 (2d Cir. 2001) ("Movies in digital form are placed on disks, known as DVDs, which can be played on a DVD player (either a stand-alone device or a component of a computer."); see also Universal City Studios, Inc. v. Reimerdes, 111 F. Supp. 2d 294, 307 (S.D.N.Y. 2000) (describing size of DVDs), amended by No. 00 Civ. 0277, 2001 U.S. Dist. LEXIS 12548, at *1 (S.D.N.Y. Aug. 17, 2001).

2. See Corley, 273 F.3d at 436 (noting advantages of DVDs including "improved visual and audio quality, larger data capacity, and greater durability"); see also Reimerdes, 111 F. Supp. 2d at 307 ("They are the latest technology for private home viewing of recorded motion pictures and result in drastically improved audio and visual clarity and quality of motion pictures shown on televisions or computer screens.").


4. See Corley, 273 F.3d at 436 (stating "a virtually perfect copy . . . can be readily made at the click of a computer control and instantly distributed to countless recipients throughout the world over the Internet"). The Internet is "an international network of 'interconnected computers' which 'enable[s] tens of millions of people to communicate with one another and to access vast amounts of information from around the world.'" Pavlovich v. Superior Court, 58 P.3d 2, 4 (Cal. 2002) (quoting Reno v. ACLU, 521 U.S. 844, 849-50 (1997)).
dios were initially reluctant to release motion pictures for sale to consumers in the DVD format.5

Before agreeing to release motion pictures in DVD format, the movie industry "insisted that a viable protection system be made available to prevent users from making copies of motion pictures in digital form."6 In mid-1996, Toshiba and Matsushita Electric Industrial Co., Ltd., developed the Content Scramble System ("CSS"), an encryption technique designed to prevent DVD piracy through illegal copying.7 The CSS encryption program utilizes an algorithm configured by master keys to prevent piracy of DVD contents.8

Movie studios adopted CSS encryption technology to prevent piracy of copyrighted material contained on DVDs, and they established a licensing agreement to protect the confidentiality of CSS technology.9 In October 1996, the motion picture industry began licensing the CSS technology and licensees "had to maintain the confidentiality of propriety information embodied in the CSS technology, including the 'master keys' and algorithms."10 Under the licensing agreement, manufacturers of DVD players were given CSS technology in exchange for an administrative fee and a confidentiality agreement.11 Eventually, the movie industry established the

5. See Corley, 273 F.3d at 436 (noting hesitation among motion picture studios); see also Chase, supra note 3, at 729 (describing fear of piracy by motion picture studios).
6. DVD Copy Control Ass'n, Inc. v. Bunner, 75 P.3d 1, 6 (Cal. 2003). The court in Bunner noted that "[w]ithout such protection, [the movie industry] would not have agreed to release movies on DVD's." Id.
7. See Corley, 273 F.3d at 436 (noting year of CSS development); see also Bunner, 75 P.3d at 6 (listing companies who developed CSS technology); Schriefer, supra note 3, at 2287 (describing CSS encryption technique to combat DVD piracy).
8. See Corley, 273 F.3d at 436 (noting CSS encryption scheme). Essentially, The algorithm is a type of mathematical formula for transforming the contents of the movie file into gibberish; the "keys" are in actuality strings of 0's and 1's that serve as values for the mathematical formula. Decryption in the case of CSS requires a set of "player keys" contained in compliant DVD players, as well as an understanding of the CSS encryption algorithm. Without the player keys and the algorithm, a DVD player cannot access the contents of a DVD. With the player keys and the algorithm, a DVD player can display the movie on a television or a computer screen, but does not give a viewer the ability to use the copy function of the computer to copy the movie or to manipulate the digital content of the DVD. Id. at 436-37.
9. See Bunner, 75 P.3d at 7 (noting motion picture industry adoption of CSS); see also Schriefer, supra note 3, at 2288 (noting licensing agreement of CSS technology as protective measure).
10. Bunner, 75 P.3d at 7 (describing specifics of licensing agreement).
11. See Corley, 273 F.3d at 437 (stating requirements of licensing agreement).
DVD Copy Control Association ("DVD CCA") to manage the licensing of CSS technology.¹²

B. Reverse Engineering and the Creation of DeCSS

Despite the efforts of DVD CCA to prevent the acquisition of the CSS encryption technology, Jon Johansen, a Norwegian teenager, utilized the process of reverse engineering to acquire the master keys and algorithms found within CSS.¹³ The process of reverse engineering "requires an end-user to use a software tool that reverses the process of software development to yield the source code."¹⁴ Johansen used the CSS master keys and algorithms acquired through reverse engineering to write a program called DeCSS.¹⁵ The DeCSS program decrypts the CSS encryption program found on DVDs, allowing users to copy the contents of the disc.¹⁶ Furthermore, the DeCSS program allows users to play the encrypted DVDs on a non-licensed DVD player.¹⁷

¹² See Bunner, 75 P.3d at 7 (noting establishment of DVD CCA); see also Chase, supra note 3, at 730 (mentioning DVD CCA's control of CSS technology).

¹³ See Bunner, 75 P.3d at 7 (noting Johansen's acquisition of CSS encryption technology); see also Chase, supra note 3, at 730 (describing reverse engineering process used to decrypt CSS); Schriefer, supra note 3, at 2288 (noting discovery of CSS encryption algorithm).

¹⁴ Rod Dixon, Breaking into Locked Rooms to Access Computer Source Code: Does the DMCA Violate a Constitutional Mandate When Technological Barriers of Access Are Applied to Software?, 8 VA. J.L. & TECH. 2, ¶ 29 (last visited Apr. 12, 2004), at http://www.vjolt.net/vol8/issue1/v8i1_a02-Dixon.pdf. Dixon described the process of reverse engineering, stating "[r]everse engineering, in this manner (often called decompilation), does not yield an exact copy of the original source code, but it does reveal at least sub-routines showing the structure and operation of a program." Id. Johansen used reverse engineering software created by Xing Technology Corporation, which contains a licensing agreement that specifically prohibits reverse engineering. See Bunner, 75 P.3d at 7 (noting Johansen's process for reverse engineering CSS).

¹⁵ See Bunner, 75 P.3d at 7 (noting development of DeCSS through reverse engineering).

¹⁶ See id. at 7 ("Using the proprietary information culled from this software, Johansen wrote a program called DeCSS that decrypts movies stored on DVD's and enables users to copy and distribute these movies.").

¹⁷ See Schriefer, supra note 3, at 2289 (stating DVDs can "be copied and played on 'non-compliant' DVD players"); see also DeCSS Source Code That Allegedly Contained Trade Secrets Was Protected by First Amendment, COMPUTER & INTERNET LAW., Jan. 2002, at 26 ("DeCSS consists of computer source code that describes a method for playing an encrypted DVD on a non-CSS-equipped DVD player or drive."). Basically, [i]f a user runs the DeCSS program (for example, by clicking on the DeCSS icon on a Microsoft operating system platform) with a DVD in the computer's disk drive, DeCSS will decrypt the DVD's CSS protection, allowing the user to copy the DVD's files and place the copy on the user's hard drive. The result is a very large computer file that can be played on
In October of 1999, Johansen posted the DeCSS source code on an Internet website. Soon after Johansen posted the DeCSS source code on the website, "DeCSS was widely available on the Internet, in both object code and various forms of source code." One such website posting the DeCSS source code was operated by Andrew Bunner, the defendant in DVD Copy Control Ass'n, Inc. v. Bunner.

This Note begins with a summary of the facts and unique procedural posture of Bunner. The background section begins by briefly discussing California's Uniform Trade Secrets Act ("UTSA"). That section also discusses the underlying framework for First Amendment free speech analysis of preliminary injunctions. The First Amendment section (1) analyzes why computer codes are offered First Amendment protection; (2) examines various factors used to determine whether an injunction is content-based or content-neutral; (3) discusses the specific level of scrutiny a non-CSS-compliant player and copied, manipulated, and transferred just like any other computer file. Universal City Studios, Inc. v. Corley, 273 F.3d 429, 437-38 (2d Cir. 2001).

18. See Bunner, 75 P.3d at 7 (noting date Johansen posted source code on Internet).
19. Corley, 273 F.3d at 439 (noting wide availability of DeCSS within months of its appearance on Johansen's website in executable form). The DeCSS technology was capable of spreading so quickly because "[i]f a Web page is freely accessible, then anyone with access to a computer connected to the Internet may view that page." Pavlovich v. Superior Court, 58 P.3d 2, 5 (Cal. 2002). Therefore, "[s]oon after its initial publication on the Internet, DeCSS appeared on numerous Web sites throughout the world." DeCSS Source Code That Allegedly Contained Trade Secrets Was Protected by First Amendment, supra note 17, at 26.
20. See 75 P.3d at 7 (noting Andrew Bunner's posting of DeCSS on website).
21. See id. at 7-9 (noting facts and procedural posture). For a detailed discussion of facts and procedural posture of Bunner, see infra notes 30-49 and accompanying text.
23. See U.S. CONST. amend. I (noting freedom of speech provision); see also CAL. CONST. art. I, § 2 (including free speech provision). For a detailed discussion of First Amendment free speech analysis, see infra notes 58-107 and accompanying text.
24. See Universal City Studios, Inc. v. Reimerdes, 111 F. Supp. 2d 294, 326-27 (S.D.N.Y. 2000) (listing reasons for First Amendment protection of computer codes), amended by No. 00 Civ. 0277, 2001 U.S. Dist. LEXIS 12548, at *1 (S.D.N.Y. Aug. 17, 2001); see also Corley, 273 F.3d at 445-49 (noting computer codes are offered First Amendment scrutiny); Junger v. Daley, 209 F.3d 481, 484-85 (6th Cir. 2000) (explaining why computer codes are offered First Amendment protection). For a detailed discussion of why computer codes are examined under First Amendment scrutiny, see infra notes 58-76 and accompanying text.
tiny applied to content-neutral injunctions;\textsuperscript{26} and (4) reviews the prior restraint limitations on preliminary injunctions under the First Amendment.\textsuperscript{27}

Next, this Note analyzes the California Supreme Court’s reasoning in \textit{Bunner}, concentrating on First Amendment free speech analysis, the limitation of the holding, and the concurrence of Justice Moreno discussing the court’s decision to remand.\textsuperscript{28} Finally, this Note discusses the impact of the \textit{Bunner} decision on both First Amendment analysis and technology in corporate America.\textsuperscript{29}

\section*{II. Factual and Procedural Background of \textit{Bunner}}

Andrew Bunner claimed that he posted DeCSS on his website because “it would enable ‘Linux’ users to use and enjoy ‘DVDs’ available for purchase or rental in video stores and make ‘Linux’ more attractive and viable to customers.”\textsuperscript{30} After discovering that the DeCSS program was widely available on the Internet, DVD CCA and the Motion Picture Association (“MPA”) searched for websites

Against Racism, 491 U.S. 781, 791 (1989) (quoting Clark v. Cmty. for Creative Non-Violence, 468 U.S. 288, 293 (1984)). For a discussion of the various factors used to determine if an injunction is content-based or content-neutral, see infra notes 77-84 and accompanying text.

\textsuperscript{26.} See \textit{Ward}, 491 U.S. at 791 (noting content-neutral balancing test); see also \textit{Madsen}, 512 U.S. at 765 (discussing content-neutral balancing test); S.F. Arts & Athletics, Inc. v. United States Olympic Comm., 483 U.S. 522, 537 n.16 (1987) (noting content-neutral balancing test). For a discussion of the balancing test applied to content-neutral injunctions, see infra notes 85-97 and accompanying text.

\textsuperscript{27.} See \textit{Alexander v. United States}, 509 U.S. 544, 550 (1993) (defining prior restraint); see also \textit{Thomas v. Chi. Park Dist.}, 534 U.S. 316, 322-23 (2002) (limiting prior restraint restriction to content-based injunctions); \textit{Madsen}, 512 U.S. at 763-64 n.2 (noting not all content-neutral injunctions are prior restraints). For a detailed discussion of the prior restraint limitations imposed under a First Amendment analysis, see infra notes 98-107 and accompanying text.

\textsuperscript{28.} See \textit{DVD Copy Control Ass’n, Inc. v. Bunner}, 75 P.3d 1, 10-20 (Cal. 2003) (discussing court’s legal analysis of free speech implications presented by Bunner’s website). For a detailed discussion of the California Supreme Court’s legal analysis in \textit{Bunner}, see infra notes 108-206 and accompanying text.

\textsuperscript{29.} See \textit{Cal. High Court Tackles Secrets, First Amendment Issues on DeCSS}, WASH. INTERNET DAILY, May 30, 2003, at 1 (discussing potential impact of \textit{Bunner} decision on various industries); see also \textit{California; DVD Group Seeks Reversal of Ruling on Decoding Tool; Industry Argues Posting of Decryption Program Should Not Be Protected by the 1st Amendment}, L.A. TIMES, May 30, 2003, § 3 (Business), at 2 (noting amount of DVD sales lost to piracy); Mike McKee, \textit{Friends’ in High Places; In a Sign of What’s at Stake, California Justices Deluged with 42 Amicus Briefs in Trade Secrets Dispute}, MIAMI DAILY Bus. Rev., Aug. 30, 2002, at A10 (noting number of amicus briefs filed on behalf of corporate America). For a discussion of the impact of the \textit{Bunner} decision, see infra notes 207-24 and accompanying text.

\textsuperscript{30.} \textit{Bunner}, 75 P.3d at 7. The court noted that “Bunner also claimed he wanted ‘to ensure [that] programmers would have access to information needed to add new features, fix existing defects and, in general, improve the [D]eCSS’ program.’” \textit{Id.} (alterations in original).
which disclosed CSS technology or linked users to other websites containing the same information. Following this search, MPA sent notice to Internet service providers and operators of websites which contained or linked viewers to sites containing the DeCSS program, demanding the removal of the information. Despite MPA’s demands, Bunner and numerous other website operators refused to remove the DeCSS source code.

As a result, DVD CCA filed an action in the California Superior Court, Santa Clara County, against Bunner and “numerous other named and unnamed individuals who had published or linked to Web sites publishing DeCSS (collectively defendants), alleging trade secret misappropriation.” DVD CCA did not seek damages from the website operators; it simply sought a preliminary injunction. DVD CCA also filed an ex parte application seeking a temporary restraining order (“TRO”). The trial court denied the TRO but issued an order to show cause “why the injunction and re-

31. See id. at 7-8 (“Upon discovering the posting of DeCSS on the Internet, DVD CCA and [MPA] made extensive efforts to identify those Web sites disclosing proprietary CSS technology or linking to sites posting this information.”).

32. See id. at 8 (discussing MPA’s demand for removal of DeCSS from websites); see also DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, WASH. INTERNET DAILY, Aug. 26, 2003, at 1 (noting MPA requested that Bunner take down website).

33. See Bunner, 75 P.3d at 8 (noting Bunner’s refusal to remove DeCSS source code posted on his site); see also DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 1 (noting Bunner’s refusal to remove DeCSS source code from his website).

But see Bunner, 75 P.3d at 8 n.4 (noting that “following the filing of this action, Bunner apparently removed the DeCSS from his Web site”).


35. See Bunner, 75 P.3d at 8 (noting DVD CCA’s request for injunctive relief). DVD CCA sought an order:

enjoining and restraining [d]efendants . . . from making any further use or otherwise disclosing or distributing, on their web sites or elsewhere, or ‘linking’ to other web sites which disclose, distribute, or ‘link’ to any proprietary property or trade secrets relating to the CSS technology and specifically enjoining [d]efendants . . . from copying, duplicating, licensing, selling, distributing, publishing, leasing, renting or otherwise marketing the DeCSS computer program and all other products containing, using and/or substantially derived from CSS proprietary property or trade secrets . . .

Id. (quoting DVD CCA’s complaint) (alterations in original).

36. See id. (“Soon after filing the complaint, DVD CCA filed an ex parte application for a temporary restraining order (TRO).”).
straints sought in [DVD CCA's] proposed preliminary injunction should not be entered against defendants . . . ." 37 Following a hearing, the trial court issued a preliminary injunction enjoining Bunner and other defendants from "[p]osting or otherwise disclosing or distributing, on their [W]eb sites or elsewhere, the DeCSS program, the master keys or algorithms of the Content Scrambling System . . . ., or any other information derived from this proprietary information." 38

Most importantly, in issuing the injunction, the trial court assumed that DVD CCA was likely to prevail on the merits under the California UTSA. 39 First, the trial court concluded that CSS in fact contained protectable trade secrets under the California UTSA. 40 Second, the trial court noted that Johansen initially acquired the trade secrets by improper means through reverse engineering. 41 Third, the trial court concluded that Bunner and the other website operators knew or should have known the CSS trade secrets were acquired by improper means. 42 Fourth, the trial court noted that the "trade secret status of the CSS technology had not been destroyed because it had been posted on the Internet." 43 Fifth, the court concluded that DVD CCA would "suffer irreparable harm without an injunction" because the CSS technology would lose its value as a trade secret by continuing to be widely available across

37. Id. (noting order to show cause) (alterations in original).
38. Id. (discussing preliminary injunction) (alterations in original). The court did refuse "to enjoin the defendants from 'linking to other [websites] which contain the protected materials' because 'such an order [would be] overbroad and extremely burdensome.'"  Id. (alterations in original).
39. See id. ("In issuing the injunction, the court concluded that DVD CCA was likely to prevail on the merits and would suffer irreparable harm without injunctive relief."); see also DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 1 (noting trial court concluded DVD CCA was likely to prevail on merits).
40. See Bunner, 75 P.3d at 8 (explaining that CSS contained protectable trade secrets because "it derived independent economic value from its secrecy and because DVD CCA made reasonable efforts to maintain its secrecy").
41. See id. (noting reverse engineering was in violation of licensing agreement).
42. See id. (stating Bunner knew or should have known DeCSS was created through improper means at time he posted DeCSS on website).
43. Id. (noting CSS remained secret despite Internet posting). Bunner consistently argued, however, that the DeCSS technology was no longer a trade secret because it was widely available on the Internet. See Calif. Supreme Court Hears Arguments in DVD Decryption Case, TELECOMM. INDUSTRY LITIG. REP., June 17, 2003, at 11 ("Bunner had no special access to the asserted trade secret; it was equally accessible to millions of people around the world. As regrettable as it may be, the trade secret is no longer secret.").
the Internet. Finally, although the trial court admitted potential enforcement problems, the court held that the preliminary injunction would cause little harm to defendant website operators.

Bunner was the only original litigant to appeal the trial court’s preliminary injunction, and the San Jose court of appeal subsequently reversed. The court of appeal agreed with the trial court in assuming that DVD CCA was likely to prevail on the merits under the California UTSA. However, the court of appeal held that the injunction violated the First Amendment regardless of whether it was justified under the California UTSA because it was a prior restraint on pure speech that was significantly outweighed by the governmental interests in protecting freedom of speech. DVD CCA subsequently appealed that decision to the California Supreme Court.

44. Bunner, 75 P.3d at 8. "If the Court does not immediately enjoin the posting of this proprietary information, [DVD CCA's] right to protect this information as secret will surely be lost . . . ." See id. (quoting trial court’s conclusion) (alterations in original).

45. See id. ("[A] possibility or even a likelihood that an order may be disobeyed or not enforced in other jurisdictions is not a reason to deny the relief sought.") (quoting trial court's holding, despite its acknowledgment of potential enforcement problems).

46. See id. (noting Bunner’s appeal); see also Mike McKee, Calif. Justices to Hear Case of Free Speech v. Trade Secrets Laws, LEGAL INTELLIGENCER, Feb. 22, 2002, at 4 (reporting San Jose Court of Appeal, Sixth Appellate District ruling First Amendment trumps California Uniform Trade Secrets Act).

47. See Bunner, 75 P.3d at 8 ("[T]he Court of Appeal assumed that DVD CCA was likely to prevail on the merits and would suffer irreparable harm.").

48. See id. at 8-9 (holding preliminary injunction violated First Amendment).

The court explained, DVD-CCA's statutory right to protect its economically valuable trade secret is not an interest that is 'more fundamental' than the First Amendment right to freedom of speech or even on equal footing with the national security interests and other vital governmental interests that have previously been found insufficient to justify a prior restraint. Paul Sweeting, Studios Suffer Setback on DeCSS; Court: DVD Cracking Program Is Protected Speech, VIDEO BUS., Nov. 5, 2001, at 3.

Commentators noted that the court of appeal’s reversal was a “significant setback for the studios and DVD-CCA, who hoped to use California’s strict trade secret laws to protect CSS as well as any future encryption system the studios may use, such as on next-generation high-definition DVDs.” Paul Sweeting, Ruling Expected on DVD Hack Attack, DAILY VARIETY, June 2, 2003, at 10. Jeffrey Kessler, a partner in the firm representing DVD CCA, stated that “the ruling makes it impossible for companies to prevent the theft of trade secrets.” Shannon Lafferty, First Amendment Block; No Trade Secret Protection for DVD Encryption Code, ENT. L. & FIN., Nov. 2001, at 4 ("The whole point of the UTSA is if you have a trade secret and someone steals [it], you can get an injunction and prevent it from being spread . . . because once it's spread, it has no value.").

49. See Bunner, 75 P.3d at 9 (granting certiorari to review court of appeal decision). DVD CCA claimed that the court of appeal’s decision "applies the First Amendment in a blunderbuss manner wholly inconsistent with governing author-

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III. LEGAL BACKGROUND

A. California Uniform Trade Secrets Act

California adopted the UTSA in 1984 to protect trade secrets from piracy through misappropriation. The California UTSA provides that a trade secret is some variation of information that derives its economic value to the holder directly from its secrecy. The holder must maintain reasonable efforts to keep the trade secret from being disclosed. The California UTSA also provides an elaborate checklist to determine which actions constitute misappropriation, including acquisition of another person's trade secrets by improper means or disclosure of another person's trade secrets.

Id. 50. See Bunner, 75 P.3d at 9 ("California had adopted without significant change the Uniform Trade Secrets Act."); see also Schriefer, supra note 3, at 2291 (noting year California adopted UTSA).

The UTSA has been adopted by approximately forty states in various forms. See Chase, supra note 3, at 731 (citing ROBERT P. MERGES ET AL., INTELLECTUAL PROPERTY IN THE NEW TECHNOLOGICAL AGE 34 (2d ed. 2000)).

51. CAL. CIV. CODE tit. 5, § 3426.1(d) (Deering 2003) (defining trade secret).

Section 3426.1(d) defines a trade secret as:

information, including a formula, pattern, compilation, program, device, method, technique, or process, that:

(1) Derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and

(2) Is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Id. Another useful explanation of trade secrets provides:

There are some business formulae, compiled information, and devices or processes which, though neither copyrighted nor patented, or not even novel, are kept as trade secrets of the user. They cannot be classified with any particularity, but any secret information used in the conduct of the plaintiff's business which is of some competitive advantage to him, and which is not disclosed to the public, might be included.

BERNARD E. WITKIN, 11 WITKIN SUMMARY OF CALIFORNIA LAW EQUITY § 103 (9th ed. 2003).

52. See § 3426.1(d)(2) (noting requirement that information is subject of effort to maintain its secrecy). But see RESTATAMENT (THIRD) OF UNFAIR COMPETITION § 99 (1995) (omitting effort requirement for trade secrets). The Restatement defines a trade secret as "any information that can be used in the operation of a business or other enterprise and that is sufficiently valuable and secret to afford an actual or potential economic advantage over others." Id.
without consent. In addition, the California UTSA states that improper means include forms of theft and bribery implemented through electronic or other means in breach of a duty to maintain secrecy. The California UTSA notes, however, that reverse engineering alone does not necessarily constitute improper means.

The California UTSA also contains a provision offering injunctive relief against either actual or threatened misappropriation. Under the UTSA, such an injunction will terminate when the protected trade secret is no longer in existence.

B. First Amendment Free Speech Analysis Framework

1. Computer Codes and Programs as "Speech"

The First Amendment of the United States Constitution prohibits Congress from making laws that prohibit protected forms of speech. The California Constitution incorporates a similar provision.
sion upholding freedom of speech. Therefore, the starting point for First Amendment free speech analysis is a determination of whether the form of expression at issue is indeed protected speech. Basically, "to say that a particular form of expression is 'protected' by the First Amendment means that the constitutionality of any regulation of it must be measured by reference to the First Amendment." Determining whether computer source codes and programs constitute protected speech is a difficult task because they serve both expressive and functional purposes.

In *Junger v. Daley*, the Sixth Circuit noted that "all ideas having even the slightest redeeming social importance[, including those concerning] the advancement of truth, science, morality, and arts have the full protection of the First Amendment." First Amendment protection is not limited to "purely expressive commu-

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59. See Cal. Const. art. I, § 2 ("Every person may freely speak, write and publish his or her sentiments on all subjects, being responsible for the abuse of this right. A law may not restrain or abridge liberty of speech or press.").


61. Id. at 326 (explaining meaning of "protected").

62. See Junger v. Daley, 209 F.3d 481, 484-85 (6th Cir. 2000) (noting expressive and functional features of source codes). The court in *Junger* explained the dual nature of computer source codes as both expressive and functional, stating: [1]It is possible to use encryption source code to represent and convey information and ideas about cryptography[,] and ... encryption source code can be used by programmers and scholars for such informational purposes. Much like a mathematical or scientific formula, one can describe the function and design of encryption software by a prose explanation; however, for individuals fluent in computer programming language, source code is the most efficient and precise means by which to communicate ideas about cryptography.

Id.

63. Id. In *Junger*, the plaintiff was a professor at the Case Western School of Law who wanted to post an encryption source code he wrote on a website for his computers and the law course. See id. at 483 (noting facts of case). For purposes of national security, most encryption software in electronic form is subject to export licensing requirements and regulation under Export Control Classification Number 5D002. See id. (noting facts of case). After applying for the appropriate export classifications, the Commerce Department found that the encryption software contained in the plaintiff's textbook could not be exported on the website. See id. at 484 (noting Commerce Department's decision). The plaintiff sued, claiming that the regulations were facially invalid under the First Amendment. See id. (noting procedure of case). While the trial court held that encryption source codes are not protected under the First Amendment, the court in *Junger* held that software was expressive speech under First Amendment scrutiny. See id. at 485 (setting forth holding of case).

64. Id. at 484 (quoting Roth v. United States, 354 U.S. 476, 484 (1957)).
nication." \(^{65}\) Furthermore, although computer source codes are highly complicated and only understood by a small number of people, fundamentally they are an expression of ideas. \(^{66}\) In *Universal City Studios, Inc. v. Reimerdes*, \(^{67}\) the U.S. District Court for the Southern District of New York explained that "[a]ll modes by which ideas may be expressed or, perhaps, emotions evoked — including speech, books, movies, art, and music — are within the area of First Amendment concern." \(^{68}\) In *Universal City Studios, Inc. v. Corley*, \(^{69}\) the Second Circuit explained that "the ease with which a work is comprehended is irrelevant to the constitutional inquiry." \(^{70}\) The

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65. *Id.* ("The Supreme Court has recognized First Amendment protection for symbolic conduct, such as draft-card burning, that has both functional and expressive features.").

66. *See id.* ("[C]omputer source code, though unintelligible to many, is the preferred method of communication among computer programmers.").

67. 111 *F. Supp. 2d* 294 (S.D.N.Y. 2000), amended by 2001 U.S. Dist. LEXIS 12548, at *1 (S.D.N.Y. Aug. 17, 2001). Similar to the factual pattern in *Bunner*, the defendants in *Reimerdes* posted DeCSS technology on their websites and were subsequently sued by the movie industry. *See id.* at 303 (recalling facts of case). The plaintiffs in *Reimerdes* sought an injunction under the Digital Millennium Copyright Act ("DMCA") in federal district court. *See id.* (noting case's procedural posture). The DMCA is a federal law which allows copyright holders to "create technological measures on DVDs which will prevent consumers from copying the information on the DVDs onto their computers and other devices." *Chase*, *supra* note 3, at 732 (citing 17 U.S.C. § 1201 (2000)). The DMCA does not "itself protect copyrighted materials but instead it protects the technological means copyright holders use to protect their materials." *Id.* at 733 (citing 17 U.S.C. § 1201 (2000)). The court in *Reimerdes* held that "the antitrafficking provision of the DMCA as applied to the posting of computer code that circumvents measures that control access to copyrighted works in digital form is a valid exercise of Congress' authority." *Reimerdes*, 111 *F. Supp. 2d* at 332-33.

68. *Reimerdes*, 111 *F. Supp. 2d.* at 327 (noting expressions protected under First Amendment). Discussing the formation of source codes as expressions of ideas, the court explained:

> The path from idea to human language to source code to object code is a continuum. As one moves from one to the other, the levels of precision and, arguably, abstraction increase, as does the level of training necessary to discern the idea from the expression. Not everyone can understand each of these forms. Only English speakers will understand English formulations. Principally those familiar with the particular programming language will understand the source code expression. And only a relatively small number of skilled programmers and computer scientists will understand the machine readable object code. But each form expresses the same idea, albeit in different ways.

*Id.* at 326.

69. 273 *F.3d* 429 (2d Cir. 2001). The plaintiff in *Corley* posted a copy of DeCSS on the Internet and was subsequently sued by eight movie studios seeking an injunction under the DMCA. *See id.* at 435-36 (stating facts of case). The *Corley* court eventually held that the injunction issued under the DMCA prohibiting the defendant's posting of DeCSS was valid under the First Amendment. *See id.* at 455 (providing court's holding).

70. *Id.* at 445-46. The court noted that "[c]ommunication does not lose constitutional protection as 'speech' simply because it is expressed in the language of
courts in Junger, Reimerdes, and Corley all held that computer source codes are "protected speech" under the First Amendment because they are forms of human expression.\textsuperscript{71}

In addition, Corley held that computer programs are speech which warrant First Amendment protection.\textsuperscript{72} Corley explained that although computer programs are essentially a set of instructions that run on a computer terminal, they are still capable of conveying information.\textsuperscript{73} This conveyance of information by computer programs is precisely what constitutes protected speech under the First Amendment.\textsuperscript{74} As the Corley court noted, "[e]ven dry information, devoid of advocacy, political relevance, or artistic expression, has been accorded First Amendment protection."\textsuperscript{75} Even assuming that computer source codes and programs are protected speech under the First Amendment, it is still necessary to determine what level of scrutiny should apply in free speech analysis.\textsuperscript{76}

copyright code... [i]f computer code is distinguishable from conventional speech for First Amendment purposes, it is not because it is written in an obscure language." \textit{Id.}

\textsuperscript{71.} See Junger, 209 F.3d at 485 ("Because computer source code is an expressive means for the exchange of information and ideas about computer programming, we hold that it is protected by the First Amendment."); \textit{see also} Corley, 273 F.3d at 449 (holding computer source codes merit First Amendment protection); Reimerdes, 111 F. Supp. 2d at 327 ("As computer code — whether source or object — is a means of expressing ideas, the First Amendment must be considered before its dissemination may be prohibited or regulated.").

\textsuperscript{72.} See Corley, 273 F.3d at 449 (holding computer programs derived from source code merit First Amendment protection).

\textsuperscript{73.} See \textit{id.} at 447 (noting capacity of computer programs to convey information).

\textsuperscript{74.} See id. ("But the fact that a program has the capacity to direct the functioning of a computer does not mean that it lacks the additional capacity to convey information, and it is the conveying of information that renders the instructions 'speech' for purposes of the First Amendment.").

\textsuperscript{75.} \textit{Id.} at 446. The court further qualified its statements, explaining: [o]f course, we do not mean to suggest that the communication of "information" is a prerequisite of protected "speech." Protected speech may communicate, among other things, ideas, emotions, or thoughts. We identify "information" only because this is what computer programs most often communicate, in addition to giving directions to a computer. \textit{Id.} at 447-48 n.19.

\textsuperscript{76.} See Reimerdes, 111 F. Supp. 2d. at 327 (noting conclusion that computer code is protected by First Amendment "still leaves for determination the level of scrutiny to be applied in determining the constitutionality of regulation of computer code").
2. Determining Content Neutrality

In \textit{Madsen v. Women's Health Center, Inc.}, the Supreme Court noted that in First Amendment free speech analysis, the first step in determining the correct level of scrutiny is a determination of whether the questioned injunction is content-based or content-neutral. Content-based injunctions receive heightened scrutiny, whereas content-neutral injunctions are subject to a lower level of scrutiny under the First Amendment. In \textit{Ward v. Rock Against Racism}, the Supreme Court explained that "the principle inquiry in determining content neutrality, in speech cases generally and in time, place, or manner cases in particular, is whether the government has adopted a regulation of speech because of disagreement with the message it conveys." According to the Court in \textit{Ward}, the government's purpose in enforcing a regulation is the "controlling

77. 512 U.S. 753 (1994). The petitioners in \textit{Madsen} claimed that a Florida state court injunction creating a thirty-six foot buffer zone for protestors on a public street surrounding an abortion clinic violated the First Amendment. \textit{See id.} at 757 (restating petitioners' claims). The injunction not only prohibited protestors from "blocking or interfering with public access to the clinic, and from physically abusing persons entering or leaving the clinic," but also enjoined protestors from singing, chanting, or making noise within hearing distance from the clinic during business hours and/or approaching within 300 feet of persons seeking the services of the clinic or residences of the clinic's employees. \textit{Id.} at 759-61 (reviewing terms of the injunction). The Court upheld the buffer zone and noise restrictions but held that the 300-foot limitation on approaching clinic patrons and the residences of clinic employees violated the First Amendment. \textit{See id.} at 776 ("[W]e upheld the noise restrictions and the 36-foot buffer zone around the clinic entrances and driveway because they burden no more speech than necessary to eliminate the unlawful conduct targeted by the state court's injunction.").

78. \textit{See id.} at 762-65 (discussing various standards of First Amendment scrutiny).

79. \textit{See id.} at 763-66 (noting two levels of scrutiny). The Court explained that content-based injunctions are subject to the heightened level of scrutiny set forth in \textit{Perry Education Ass'n. v. Perry Local Educators Ass'n. See id.} at 763-64 (citing \textit{Perry}, 460 U.S. 37, 45 (1983)). For further discussion of the level of scrutiny applicable to content-neutral injunctions, see \textit{infra} notes 85-97 and accompanying text.

80. 491 U.S. 781 (1989). The issue in \textit{Ward} dealt with New York City's "attempt to regulate the volume of amplified music at the bandshell [in Central Park] so the performances are satisfactory to the audience without intruding upon those who use the Sheep Meadow or live on Central Park West and in its vicinity." \textit{Id.} at 784 (examining constitutional issue). New York City established a set of guidelines for use of the bandshell, and the plaintiffs in \textit{Ward} sought to declare the guidelines facially invalid under the First Amendment. \textit{Id.} at 785-89 (noting plaintiffs sought declaratory judgment that guidelines were impermissible). The Court in \textit{Ward} held that the guidelines were facially valid and did not violate the First Amendment. \textit{Id.} at 803 (upholding New York City's guidelines).

81. \textit{Id.} at 791 (determining purpose of regulation is controlling factor) (citing Clark v. Cmty. for Creative Non-Violence, 468 U.S. 288, 295 (1984)).
question" in determining content neutrality.\textsuperscript{82} Madsen later incorporated the standards set forth in Ward, explaining that “[o]ur principle inquiry in determining content neutrality is whether the government has adopted a regulation of speech ‘without reference to the content of the regulated speech.’”\textsuperscript{83} Furthermore, a regulation’s incidental effects upon particular viewpoints or speech does not render the regulation content-based so long as its underlying purpose is deemed neutral.\textsuperscript{84}

3. The Content-Neutral Government Interest Test

Content-neutral regulations are subject to an intermediate level of scrutiny under the First Amendment.\textsuperscript{85} In Ward, the Supreme Court developed a specific test for content-neutral regulatory statutes based on the time, place, or manner of speech.\textsuperscript{86} The Ward Court held that time, place, or manner statutory restrictions are valid, “provided the restrictions ‘are justified without reference to the content of the regulated speech, that they are narrowly tailored to serve a significant governmental interest, and that they leave open ample alternative channels for communication of the information.’”\textsuperscript{87}

In Madsen, the Supreme Court adopted a similar test for content-neutral injunctions which required a determination of “whether the challenged provisions of the injunction burden no more speech than necessary to serve a significant government interest.”\textsuperscript{88} In establishing this test, the Court relied on the principle

\textsuperscript{82.} Id. (stating “[t]he government’s purpose is the controlling consideration”).

\textsuperscript{83.} Madsen, 512 U.S. at 763 (citing Court’s analysis in Ward). The Court in Ward stated “[g]overnment regulation of expressive activity is content neutral so long as it is ‘justified without reference to the content of regulated speech.’” Ward, 491 U.S. at 791.

\textsuperscript{84.} See Ward, 491 U.S. at 791 (“A regulation that serves purposes unrelated to the content of expression is deemed neutral, even if it has an incidental effect on some speakers or messages but not others.”).

\textsuperscript{85.} See Madsen, 512 U.S. at 764-66 (noting lower level of scrutiny applies to content-neutral regulations).

\textsuperscript{86.} See Ward, 491 U.S. at 791 (noting general test for content-neutral regulations); see also Madsen, 512 U.S. at 764 (noting Ward test applicable to “content-neutral, generally applicable statute, instead of an injunctive order”).

\textsuperscript{87.} Ward, 491 U.S. at 791 (citing Clark v. Cmty. for Creative Non-Violence, 468 U.S. 288, 293 (1984)) (declaring government can restrict time, place, and manner of speech as long as restriction is reasonable).

\textsuperscript{88.} Madsen, 512 U.S. at 765. The Court in Madsen held that the Ward test was not applicable to content-neutral injunctions, and stated “our standard time, place, and manner analysis is not sufficiently rigorous.” Id. The Court also noted that “[i]njunctions, of course, have some advantages over generally applicable statutes.
that a valid injunction should not be broader than necessary to serve its purpose. In *San Francisco Arts & Athletics, Inc. v. United States Olympic Committee*, the Supreme Court noted that "[t]he appropriate inquiry is thus whether the incidental restrictions on First Amendment freedoms are greater than necessary to further a substantial governmental interest." Thus, content-neutral injunctions "will be upheld if they serve a substantial governmental interest and restrict First Amendment freedoms no more than necessary."

In *San Francisco Arts & Athletics*, the Supreme Court held that the protection of a property right is a legitimate governmental interest under the First Amendment. Furthermore, "trade secrets have been recognized as a constitutionally protected intangible property interest." The property right inherent in trade secrets is

89. See id. (noting injunctions should be narrowly tailored to achieve goals).

90. *San Francisco Arts & Athletics, Inc. v. United States Olympic Committee*, 897 F.2d 1530 (9th Cir. 1990). The San Francisco Arts & Athletics, Inc. ("SFAA") was promoting the "Gay Olympic Games" which were supposed to rival the traditional Olympic games with nine days of sporting events. See id. at 1532 (restating facts of case). The SFAA used the term "Olympic" in mailings, advertisements, and letterhead to promote the event. See id. (noting facts of case). Section 110 of the Amateur Sports Act, 32 U.S.C. § 380 (1978), grants the United States Olympic Committee ("USOC") the right to prohibit certain commercial uses of the term "Olympic." See id. at 526 (noting provisions of Amateur Sports Act). The USOC sought a preliminary injunction prohibiting the SFAA from using the term "Olympic" in promoting its event. See id. at 527 (noting procedure of case). The Supreme Court held that the injunction and the Amateur Sports Act did not violate the First Amendment because they are "not broader than necessary to protect the legitimate congressional interest." Id. at 540.

91. *San Francisco Arts & Athletics, Inc. v. United States Olympic Committee*, 897 F.2d 1530 (9th Cir. 1990). The Court explained that the appropriate test for content-neutral injunctions requires "a balance between the governmental interest and the magnitude of the speech restriction." Id. at 537 n.16.


"defined by the extent to which the owner of the secret protects his interest from disclosure to others." Trade secret law serves legitimate governmental interests such as encouraging the development of technology and maintaining standards of commercial ethics.

95. Ruckelshaus v. Monsanto, 467 U.S. 986, 1002 (1984). In Ruckelshaus, the Court explained that "[i]f an individual discloses his trade secret to others who are under no obligation to protect the confidentiality of the information, or otherwise publicly discloses the secret, his property right is extinguished." Id.

96. See Kewanee Oil Co. v. Bicron Corp., 416 U.S. 470, 481-82, 485-86, 493 (1974) (stating trade secret law promotes commercial ethics and scientific advancements). The Court in Kewanee explained that "[t]he maintenance of standards of commercial ethics and the encouragement of invention are the broadly stated policies behind trade secret law." Id. at 481. The Court further discussed the harmful chain-reaction effect that a lack of trade secret protection might have on technological and scientific advancements:

Security precautions necessarily would be increased, and salaries and fringe benefits of those few officers or employees who had to know the whole of the secret invention would be fixed in an amount thought sufficient to assure their loyalty. Smaller companies would be placed at a distinct economic disadvantage, since the costs of this kind of self-help could be great, and the cost to the public of the use of this invention would be increased. The innovative entrepreneur with limited resources would tend to confine his research efforts to himself and those few he felt he could trust without the ultimate assurance of legal protection against breaches of confidence. As a result, organized scientific and technological research could become fragmented, and society, as a whole, would suffer.

Id. at 486 (footnotes omitted). With respect to the maintenance of commercial ethics, the Court in Kewanee explained that "'[t]he necessity of good faith and honest, fair dealing, is the very life and spirit of the commercial world.'" Id. at 481-82 (quoting Nat'l Tube Co. v. Eastern Tube Co., 1902 WL 874 at *2 (5th Cir. 1902)).

Despite the efforts of the Supreme Court to uphold standards of commercial ethics, the Court has held that governmental limitations on speech where the speaker knows or has reason to know that the information was illegally obtained violate the First Amendment. See Bartnicki v. Vopper, 532 U.S. 514, 535 (2001) ("We think it clear that parallel reasoning requires the conclusion that a stranger's illegal conduct does not suffice to remove the First Amendment shield from speech about a matter of public concern.") (footnote omitted). In Bartnicki, the plaintiff was engaged as chief negotiator in a collective bargaining negotiation between a school teachers' union and the school board. See id. at 518 (stating facts of case). A cell phone conversation between the plaintiff and the president of the local union concerning the status of negotiations was subsequently intercepted and recorded. See id. (recalling facts of case). After members of the local media aired the contents of the intercepted tape, the plaintiff sought damages under 18 U.S.C. § 2511, which makes it illegal to publicly disclose the contents of intercepted phone conversations. See id. at 520-21 n.3-4 (describing violations of statute).

The Supreme Court ultimately held that the information intercepted was a matter of public concern debated in a public forum, and thus, its disclosure was protected by the First Amendment. See id. at 535 (noting holding of case). The Court, however, limited the holding to matters of public concern, specifically noting "[w]e need not decide whether that interest is strong enough to justify the application of § 2511(c) to disclosures of trade secrets or domestic gossip or other information of purely private concern." Bartnicki, 532 U.S. at 533. For a detailed
Therefore, the protection of trade secrets is the protection of a legitimate property interest, which is safeguarded under the First Amendment.  

4. Prior Restraint Limitations

The Supreme Court explained that the term prior restraint is used "to describe administrative and judicial orders forbidding certain communications when issued in advance of the time that such communications are to occur." Examples of prior restraint judicial orders include permanent injunctions and temporary restraining orders. Generally, content-based prior restraints such as content-based preliminary injunctions must "contain certain procedural safeguards in order to avoid constituting an invalid prior restraint," including a time limitation and prompt judicial review. Also, the party seeking the content-based injunction bears the burden of proof in court.

Conversely, content-neutral regulations, restrictions, and injunctions do not require adherence to the heightened procedural safeguards imposed on content-based restrictions. In Madsen, the Supreme Court noted that prior restraints are often in the form of discussion of how Bunner distinguished the limited Bartnicki holding from trade secret law issues, see infra notes 145-53 and accompanying text.

97. See Dooley, 262 Cal. Rptr. at 780 (stating "trade secrets have been recognized as a constitutionally protected intangible property interest"); see also S.F. Arts & Athletics, 483 U.S. at 540 (holding statute protecting USOC's use of term "Olympic" is "not broader than necessary to protect the legitimate congressional interest").


99. See id. at 550 ("Temporary restraining orders and permanent injunctions — i.e., court orders that actually forbid speech activities — are classic examples of prior restraints.").

100. Thomas v. Chi. Park Dist., 534 U.S. 316, 321 (2002) (citing Freedman v. Maryland, 380 U.S. 51, 58 (1965)). The Court in Thomas explained that content-based restraints must contain the following procedural safeguards to avoid prior restraint limitations:

(1) any restraint prior to judicial review can be imposed only for a specified brief period during which the status quo must be maintained; (2) expeditious judicial review of that decision must be available; and (3) the censor must bear the burden of going to court to suppress the speech and must bear the burden of proof once in court.

Id. (citing FW/PBS, Inc. v. Dallas, 493 U.S. 215, 227 (1990) (citing Freedman, 380 U.S. at 58-60)).

101. See id. (noting censor bears burden of proof in court).

102. See id. at 322 ("We have never required that a content-neutral permit scheme regulating speech in a public forum adhere to the procedural requirements set forth in Freedman.").
of judicial injunctions. The Court explained that "not all injunctions that may incidentally affect expression, however, are 'prior restraints'. . . ." In Madsen, the Supreme Court refused to apply prior restraint limitations to a content-neutral permanent injunction. The Supreme Court has also refused to apply prior restraint limitations to content-neutral preliminary injunctions. Therefore, content-neutral injunctions based simply on the time, place, or manner of the prohibited speech are not subject to prior restraint limitations under the First Amendment.

IV. LEGAL REASONING IN BUNNER

A. Narrative Analysis

1. California UTSA and Assumption of Facts

The California Supreme Court began its analysis in Bunner by briefly discussing the relevant portions of the California UTSA. The court explained that the California UTSA specifically provides


104. Madsen, 512 U.S. at 763-64 n.2. The Court explained that the injunction in Madsen was "issued not because of the content of the petitioners' expression, as was the case in New York Times Co. and Vance, but because of their prior unlawful conduct." Id.

105. See id. (noting refusal to "adopt the prior restraint analysis urged by petitioners").

106. See Schenck v. Pro-Choice Network of W.N.Y., 519 U.S. 357, 374 n.6 (1997) ("As in Madsen, alternative channels of communication were left open to the protesters, and 'the injunction was issued not because of the content of [the protesters'] expression, . . . but because of their prior unlawful conduct.") (quoting Madsen, 512 U.S. at 764 n.2).

107. See Madsen, 512 U.S. at 763-64 n.2 (noting prior restraint analysis does not apply to content-neutral permanent injunction); see also Schenck, 519 U.S. at 374 n.6 (holding prior restraint analysis does not apply to content-neutral preliminary injunction).

108. See DVD Copy Control Ass'n, Inc. v. Bunner, 75 P.3d 1, 9-10 (Cal. 2003) (noting "California has adopted without significant change the Uniform Trade Secrets Act (UTSA)"). For a detailed discussion of the California UTSA, see supra notes 50-57 and accompanying text.
a trade secret owner with the remedy of injunctive relief for misappropriation. The court noted that DVD CCA had initially sought and obtained an injunction against Bunner and explained that the court of appeal had assumed the trial court's factual findings with regard to the likelihood that DVD CCA would prevail on the merits. Due to the unique procedural posture of the case, the California Supreme Court similarly accepted the court of appeal’s assumption that DVD CCA was likely to prevail on the merits under the California UTSA. In doing so, the court hoped to narrow the issue to whether the trial court’s preliminary injunction violated Bunner’s First Amendment free speech protection.

109. See Bunner, 75 P.3d at 9 (“California law clearly contemplates the use of injunctive relief as a remedy for trade secret misappropriation.”); see also CAL. CIV. CODE tit. 5, § 3426.2(a) (Deering 2003) (“Actual or threatened misappropriation may be enjoined.”).

110. See Bunner, 75 P.3d at 9-10 (explaining court of appeal assumed trial court findings “justified ‘injunctive relief in the absence of any free speech concerns’ under California’s trade secret law”) (quoting court of appeal’s decision). For a detailed discussion of the trial court’s findings and the court of appeal’s assumption of these findings in support of the preliminary injunction, see supra notes 39-48 and accompanying text.

111. See Bunner, 75 P.3d at at 9 (citing Bartnicki v. Vopper, 532 U.S. 514, 524-25 (2001) (making factual assumptions based on procedural posture)). The court in Bunner stated that “[b]ecause of the unusual procedural posture of this case, we follow the lead of the Court of Appeal and assume as true the trial court findings in support of the preliminary injunction.” Id. The court made the following factual assumptions:

Specifically, we accept for purposes of this appeal that DVD CCA is likely to prevail on its claims that (1) the CSS technology and its master keys and algorithms are trade secrets; (2) publication of these trade secrets on the Internet has not destroyed their trade secret status; (3) publication of DeCSS discloses these trade secrets; (4) the creator of DeCSS acquired these trade secrets by improper means; and (5) Bunner knew or had reason to know that DeCSS disclosed trade secrets acquired by improper means. We also assume that DVD CCA will suffer irreparable harm without injunctive relief and that the injunction will cause minimal harm to Bunner.

Id. at 9-10 (footnote omitted). For a discussion of Justice Moreno’s position that DVD CCA was actually unlikely to prevail on the merits under the California UTSA, see infra notes 167-81 and accompanying text.

112. See Bunner, 75 P.3d at 10 (“Thus, the narrow question before us is whether the preliminary injunction violates Bunner’s right to free speech under the United States and California Constitutions even though DVD CCA is likely to prevail on its trade secret claim against Bunner.”); see also DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 1 (noting that court’s assumption of lower court’s findings narrowed First Amendment issue).
2. First Amendment Analysis

a. Computer Codes as Protected Human Expression

The California Supreme Court began its free speech analysis of the preliminary injunction by determining whether computer codes are subject to scrutiny under the First Amendment.\textsuperscript{113} According to the court, "‘[a]ll ideas having even the slightest redeeming social importance,’ including those concerning ‘the advancement of truth, science, morality, and arts’ have the full protection of the First Amendment.”\textsuperscript{114} The court noted that "‘[e]ven dry information, devoid of advocacy, political relevance, or artistic expression, has been accorded First Amendment protection.’"\textsuperscript{115} Therefore, the court found it difficult to argue that computer codes are not subject to some level of First Amendment scrutiny.\textsuperscript{116}

According to the California Supreme Court, computer codes are subject to First Amendment scrutiny because they are essentially an expression of human ideas.\textsuperscript{117} The court noted that a computer program is capable of conveying information beyond basic, functional data.\textsuperscript{118} Therefore, the California Supreme Court concluded

\textsuperscript{113.} See Bunner, 75 P.3d at 10 (stating "we must first determine whether restrictions on the dissemination of computer codes in the form of DeCSS are subject to scrutiny under the First Amendment").

\textsuperscript{114.} Id. (citing Junger v. Daley, 209 F.3d 481, 484 (2000)). For a factual discussion of Junger, see supra note 63.

\textsuperscript{115.} See Bunner, 75 P.3d at 10 (citing Universal City Studios, Inc. v. Corley, 273 F.3d 429, 446 (2d Cir. 2001)). Further, "courts have subjected to First Amendment scrutiny restrictions on the dissemination of technical scientific information, [citation] and scientific research, [citation] and attempts to regulate the publication of instructions [citation]." Id. (quoting Corley, 273 F.3d at 447). For a factual discussion of Corley, see supra note 69.

\textsuperscript{116.} See Bunner, 75 P.3d at 10 (citing Universal City Studios, Inc. v. Reimerdes, 111 F. Supp. 2d 294, 326 (S.D.N.Y. 2000), amended by No. 00 Civ. 0277, 2001 U.S. Dist. LEXIS 12548, at *1 (S.D.N.Y. Aug. 17, 2001)). The court stated, "[a]s such, 'it cannot seriously be argued that any form of computer code may be regulated without reference to the First Amendment doctrine.'" Id. For a factual review of Reimerdes, see supra note 67.

\textsuperscript{117.} See Bunner, 75 P.3d at 10-11 (describing computer codes as form of expression). The court noted that although computer codes are commonly written in highly technical language, they are fundamentally derived from human ideas. See id. (noting difficulty in understanding computer codes). Essentially, the court illustrated the highly technical variations computer codes embody when expressing human ideas, stating:

\begin{quote}
[N]ot everyone can understand each of these forms. Only English speakers will understand English formulations. Principally those familiar with the particular programming language will understand the source code expression. And only a relatively small number of skilled programmers and computer scientists will understand the machine readable object code. But each form expresses the same idea, albeit different ways.
\end{quote}

\textit{Id.} (quoting Reimerdes, 111 F. Supp. 2d at 326).

\textsuperscript{118.} See Bunner, 75 P.3d at 10 (citing Corley, 273 F.3d at 447).
that “[b]ecause computer code ‘is an expressive means for the exchange of information and ideas about computer programming,’ ‘we join the other courts that have concluded that computer code, and computer programs constructed from code can merit First Amendment protection.’”

b. Determining Content Neutrality

After concluding that computer code and programs merit First Amendment protection, the court turned to determine what level of scrutiny to apply to the trial court’s injunction banning Bunner from posting the DeCSS program on his website. The court noted that “[i]n determining the level of scrutiny, the critical question is whether the injunction is content neutral or content based.” The Bunner court explained that content-based injunctions are subject to a level of heightened First Amendment scrutiny, whereas content-neutral injunctions are subject to the lower level of scrutiny established in Madsen.

According to the court, the government’s purpose in restricting speech determines content neutrality. The court explained that “[o]ur principle inquiry in determining content neutrality is whether the government has adopted a regulation of speech ‘without reference to the content of the regulated speech.’” While content-based injunctions are directly based upon the ideas or views of the speech they restrict, content-neutral injunctions are unrelated to the speech restricted.

119. Id. (quoting Corley, 273 F.3d at 449; Junger, 209 F.3d at 485; United States v. Elcom Ltd., 203 F. Supp. 2d 1111, 1126-27 (N.D. Cal. 2002)). For a critical analysis of treating computer source codes as “speech” for the purposes of First Amendment analysis, see infra notes 184-90 and accompanying text.

120. See Bunner, 75 P.3d at 11 (noting conclusion computer code is expressive speech “still leaves for determination the level of scrutiny to be applied in determining the constitutionality of” an injunction prohibiting the dissemination of computer code).

121. Id. (citing Madsen v. Women’s Health Ctr., Inc., 512 U.S. 753, 762-64 (1994)). For a factual discussion of Madsen, see supra note 77.

122. See Bunner, 75 P.3d at 11 (describing different levels of scrutiny for content-based and content-neutral injunctions).

123. See id. (“The government’s purpose is the controlling consideration . . . .”).

124. Id. (quoting Madsen, 512 U.S. at 763). For a detailed discussion of the framework used in determining content neutrality, see supra notes 77-84 and accompanying text.

125. See Bunner, 75 P.3d at 11 (describing differences between content-based injunctions and content-neutral injunctions). The court emphasized that an injunction “‘that serves purposes unrelated to the content of expression is deemed neutral, even if it has an incidental effect on some speakers or messages but not others.’” Id.
Applying these principles to the facts of the case, the California Supreme Court concluded that the preliminary injunction prohibiting Bunner from posting DeCSS on his website was content-neutral. 126 Turning towards the trial court's factual findings, the California Supreme Court explained that "[t]he underlying basis for the injunction is the trial court's holding that Bunner misappropriated DVD CCA's property — its trade secrets — in violation of California's trade secret law." 127 The court thus concluded that the injunction restricted Bunner's posting of DeCSS, not in reaction to the subject matter of Bunner's message or viewpoint, but rather to protect DVD CCA's trade secrets. 128

Furthermore, the Bunner court explained that the governmental purpose behind protection of trade secrets was unrelated to the content of the trade secrets. 129 Once again assuming the trial court's findings that DVD CCA was likely to prevail on the merits under the California UTSA, the California Supreme Court explained that the preliminary injunction was directly related to promoting the goals of trade secret law and completely unrelated to the content of Bunner's posting. 130 The court noted that the injunction's specific identification of the restricted speech by its content was irrelevant because an injunction by "its very nature,

126. See id. (holding trial court's injunction was content-neutral).

127. Id. Specifically, the court explained that "[i]n issuing the injunction, the court therefore relied on the fact that DVD CCA made reasonable efforts to keep the information secret (§ 3426.1, subd. (d)(2)), and that DVD CCA received a 'competitive advantage over others . . . by virtue of its exclusive access to the' information." Id.

128. See Bunner, 75 P.3d at 11 ("[T]he trial court issued the injunction to protect DVD CCA's statutorily created property interest in information — and not to suppress the content of Bunner's communications.").

129. See id. at 12 ("'Trade secret law promotes the sharing of knowledge, and the efficient operation of industry; it permits the individual inventor to reap the rewards of his labor by contracting with a company large enough to develop it and exploit it.'") (quoting Kewanee Oil, 416 U.S. at 493)).

130. See id. (noting injunction served underlying goals of trade secret laws).

The court explained:

Assuming, as we do, that the trial court properly applied California's trade secret law, the preliminary injunction necessarily serves the broader governmental purpose behind the law. Because the injunction does not purport to restrict DVD CCA's trade secrets based on their expressive content, the injunction's restrictions on Bunner's speech "properly are characterized as incidental to the primary" purpose of California's trade secret law — which is to promote and reward innovation and technological development and maintain commercial ethics.

Id. (quoting S.F. Arts & Athletics, Inc. v. United States Olympic Comm., 483 U.S. 522, 536 (1987)). For a detailed discussion of the implications of the California Supreme Court's assumption of the trial court's findings, see infra notes 191-206 and accompanying text.
applies only to a particular group," and "the court hearing the action is charged with fashioning a remedy for a specific deprivation, not with the drafting of a statute addressed to the general public." Therefore, the court held that the preliminary injunction restricting Bunner was content-neutral because it was tailored to protect DVD CCA's trade secrets regardless of the posting's subject matter.

c. Applying the Madsen Intermediate Scrutiny Test

The California Supreme Court held that the preliminary injunction at issue in Bunner was content-neutral, and it therefore applied the Madsen intermediate scrutiny test. The Madsen test requires a court to determine "whether the challenged provisions of the injunction burden no more speech than necessary to serve a significant government interest." First, the court explained that the injunction restricting Bunner properly served a significant governmental interest in protecting the inherent property interest of trade secrets. According to the court, the government's protection of trade secrets promotes technological and scientific development. In addition, the court noted that trade secret laws also

131. See Bunner, 75 P.3d at 12 (citing Madsen v. Women's Health Ctr., Inc., 512 U.S. 753, 762 (1994)). The court explained that "the specific deprivation to be remedied is the misappropriation of a property interest in information." Id. "Thus, any injunction remedying this deprivation must refer to the content of that information in order to identify the property interest to be protected." Id.

132. See id. ("Because the preliminary injunction at issue here does not 'involve government censorship of subject matter or governmental favoritism among different viewpoints,' it is content neutral and not subject to strict scrutiny.") (quoting Los Angeles Alliance for Survival v. Los Angeles, 93 Cal. Rptr. 2d 1, 17 (Cal. 2000)).

133. See Bunner, 75 P.3d at 12-13 (describing Madsen First Amendment test). For a detailed discussion of the Madsen test, see supra notes 85-97 and accompanying text.

134. Bunner, 75 P.3d at 13 (citing Madsen, 512 U.S. at 765). The court noted that applying the Madsen test requires "a balance between the governmental interest and the magnitude of the speech restriction." Id. (citing S.F. Arts & Athletics, Inc. v. United States Olympic Comm., 483 U.S. 522, 537 n.16 (1987)). For a factual discussion of S.F. Arts & Athletics, see supra note 90.

135. See Bunner, 75 P.3d at 15 (holding injunction served "significant government interests"). The court noted that "trade secret law creates a property right 'defined by the extent to which the owner of the secret protects his interest from disclosure to others.'" Id. (quoting Ruckelshaus v. Monsanto, 467 U.S. 986, 1002 (1984)).

136. See id. ("By creating a limited property right in information, trade secret law 'acts as an incentive for investment in innovation.'") (quoting Andrew Beekerman-Rodau, Prior Restraints and Intellectual Property: The Clash Between Intellectual Property and the First Amendment From an Economic Perspective, 12 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 1, 60 (2001)). Furthermore, the court noted that in the absence of trade secret protection, "organized scientific and technological re-
promote and maintain commercial ethical standards, a significant governmental interest.\footnote{137}

Second, the court held that the preliminary injunction issued against Bunner “burdens no more speech than necessary to serve these significant government interests.”\footnote{138} According to the court, trade secrets derive their inherent property interest from being kept secret, and thus, injunctions prohibiting their disclosure are the only effective way to preserve that property interest.\footnote{139} The court emphasized that the benefits of the injunction outweighed the burdens because the trial court’s purpose in protecting trade secrets directly hinged on its ability to enjoin their disclosure through misappropriation.\footnote{140} The court noted that “[t]he First search could become fragmented, and society, as a whole, would suffer.” \textit{Id.} (quoting \textit{Kewanee Oil Co. v. Bicron Corp.}, 416 U.S. 470, 486 (1974)). For a detailed discussion of the impact of trade secret law on scientific development, see \textit{supra} note 96.

\footnote{137. See \textit{id.} (“Trade secret law also helps maintain 'standards of commercial ethics . . . .'.”) (quoting \textit{Kewanee}, 416 U.S. at 481). The court explained: By sanctioning the acquisition, use, and disclosure of another's valuable, proprietary information by improper means, trade secret law minimizes "the inevitable cost to the basic decency of society when one . . . steals from another." In doing so, it recognizes that "'good faith and honest, fair dealing, is the very life and spirit of the commercial world.'" \textit{Bunner}, 75 P.3d at 13 (quoting \textit{Kewanee}, 416 U.S. at 481-82, 487). For a detailed discussion of the maintenance of commercial ethics through trade secret law, see \textit{supra} note 96.}

\footnote{138. \textit{Bunner}, 75 P.3d at 14. Once again, in reaching the holding the court assumed that DVD CCA was likely to prevail on the merits under the California UTSA. See \textit{id.} (stating "[a]ssuming, as we do, that the trial court properly granted injunctive relief under California's trade secret law . . . ."). For a discussion of Justice Moreno's position that DVD CCA was unlikely to prevail on the merits in the concurring decision, see \textit{infra} notes 167-81 and accompanying text.}

\footnote{139. See \textit{Bunner}, 75 P.3d at 14 (“First, prohibiting the disclosure of trade secrets acquired by improper means is the only way to preserve the property interest created by trade secret law and its concomitant ability to encourage invention.”). The court noted that "[o]nce the data that constitute a trade secret are disclosed to others, or others are allowed to use those data, the holder of the trade secret has lost his property interest in the data." \textit{Id.} (quoting \textit{Ruckelshaus v. Monsanto}, 467 U.S. 986, 1011 (1984)) (footnote omitted).}

\footnote{140. See \textit{id.} (describing \textit{Madsen} balancing test for injunction). The California Supreme Court explained:

Indeed, the protection of trade secrets and the benefits to research and development derived from the government's recognition of this property right depend on the judiciary's power to enjoin disclosures by those who know or have reason to know of their misappropriation. Bunner proffers, and we can think of, no less restrictive way of protecting an owner's constitutionally recognized property interest in its trade secrets. Thus, the preliminary injunction burdens no more speech than necessary to serve the government's interest in encouraging innovation and development. \textit{Id.}}
Amendment does not prohibit courts from incidentally enjoining speech in order to protect a legitimate property right. 141

Although the California Supreme Court held that injunctive relief was the only available remedy to protect the property interest of trade secrets, the court also emphasized that the injunction "upholds the standard of commercial ethics maintained by trade secret law." 142 The Bunner court explained that "[t]he duty to respect trade secrets imposed 'on any person who acquires the secret with knowledge that his transferor had improperly acquired it' is derived from 'the rules governing the receipt of stolen or misappropriated land or chattels.'" 143 Assuming that Bunner knew or had reason to know that the DeCSS program was acquired by illegal means, the court held that the preliminary injunction "merely applies this venerable standard of commercial ethics to a constitutionally recognized property interest in information." 144

d. Distinguishing Bartnicki v. Vopper

The California Supreme Court continued its First Amendment analysis by distinguishing the Supreme Court's decision in Bartnicki v. Vopper. 145 According to Bunner, the Supreme Court in Bartnicki held that restrictions on speech by persons who know or have reason to know that the speech was obtained illegally violate the First Amendment. 146 Bunner stressed that the trial court's injunction violated the First Amendment because it specifically enjoined persons with no connection to the actual misappropriation of the

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142. Id. When assuming the trial court's findings that DVD CCA was likely to prevail on the merits under the California UTSA, the court assumed that Bunner "knew or had reason to know that DVD CCA's trade secrets were acquired by improper means . . . ." Id. at 18.

143. Bunner, 75 P.3d at 14 (quoting Richard A. Epstein, Privacy, Publication, and the First Amendment: The Dangers of First Amendment Exceptionalism, 52 STAN. L. REV. 1003, 1039 (2000)). "Under these rules, a purchaser of stolen property with actual or constructive notice of the true owner's interests in that property cannot prevail against that owner." Id.

144. Id. Applying the standard of commercial ethics within the Madsen test, the court concluded that "[b]ecause a person who knowingly exploits the illegal acquisition of property owned by another should be in 'no better position than' the illegal acquirer himself, the injunction burdens no more speech than necessary to serve the government's important interest in maintaining commercial ethics." Id. at 14-15.

145. See id. at 15 (distinguishing Bartnicki); see also Bartnicki v. Vopper, 532 U.S. 514 (2001). For a factual discussion of Bartnicki, see supra note 96.

146. See Bunner, 75 P.3d at 14 (noting Bunner's interpretation of Bartnicki).
DeCSS source code.\textsuperscript{147} The California Supreme Court distinguished this case from \textit{Bartnicki}, stating that the Supreme Court's holding was limited to the disclosure of information of public concern.\textsuperscript{148} Specifically, the court noted that the "United States Supreme Court . . . expressly declined to extend \textit{Bartnicki} to 'disclosures of trade secrets or domestic gossip or other information of purely private concern.'"\textsuperscript{149}

In noting the limitation of the \textit{Bartnicki} holding, the \textit{Bunner} court observed that DVD CCA's trade secrets, embodied in the CSS technology, simply convey technological information in a purely private forum.\textsuperscript{150} In addition, the court noted that Bunner posted DeCSS on his website "so Linux users could enjoy and use DVDs and so others could improve the functional capabilities of DeCSS," and not for any public commentary purpose.\textsuperscript{151} In fact, the court emphasized that "[t]he mere fact that DVD CCA's trade secrets may have some link to a public issue does not create a legitimate public interest in their disclosure."\textsuperscript{152} After concluding that the First Amendment interests served by the trial court's injunction against

\begin{footnotes}
  \item[147] See \textit{Bunner}, 75 P.3d at 15 ("Bunner contends the preliminary injunction does not satisfy the \textit{Madsen} test because it enjoins disclosures by those with no connection to DVD CCA or those people who acquired its trade secrets by improper means.").

  \item[148] See id. (noting legal issue in \textit{Bartnicki} "implicate[d] the core purposes of the First Amendment because it impose[d] sanctions on the publication of truthful information of public concern") (quoting \textit{Bartnicki}, 532 U.S. at 533) (emphasis added).

  \item[149] Id. (quoting \textit{Bartnicki}, 532 U.S. at 533). The court in \textit{Bunner} explained that the Supreme Court in \textit{Bartnicki} "recognized that the First Amendment interests served by the disclosure of purely private information like trade secrets are not as significant as the interests served by the disclosure of information concerning a matter of public importance." \textit{Id.}

  \item[150] See id. ("DVD CCA's trade secrets in the CSS technology are not publicly available and convey only technical information about the method used by specific private entities to protect their intellectual property.")

  \item[151] Id. at 15-16 (stating "[Bunner] did not post them to comment on any public issue or to participate in any public debate"). The court stressed that Bunner's posting of DeCSS on his website was purely private because "only computer encryption enthusiasts are likely to have an interest in the expressive content — rather than the uses — of DVD CCA's trade secrets." \textit{Id.} at 16.

  \item[152] \textit{Bunner}, 75 P.3d at 16. In distinguishing the Supreme Court's decision in \textit{Bartnicki}, the California Supreme Court explained that the injunction in \textit{Bunner} concerned strictly private matters. See id. The \textit{Bunner} court stated: Disclosure of this highly technical information adds nothing to the public debate over the use of encryption software or the DVD industry's efforts to limit unauthorized copying of movies on DVD's. And the injunction does not hamper Bunner's ability to "discuss and debate" these issues as he has "in the past in both an educational, scientific, philosophical and political context." Bunner does not explain, and we do not see, how any speech addressing a matter of public concern is inextricably intertwined with and somehow necessitates disclosure of DVD CCA's trade secrets.
\end{footnotes}
Bunner "are less significant than the First Amendment interests served by the disclosures at issue in Bartnicki," the California Supreme Court held that the injunction against Bunner passed the Madsen intermediate scrutiny test.\footnote{153}

e. Dismissing Prior Restraint Limitations

The California Supreme Court concluded its First Amendment analysis by holding that the trial court's preliminary injunction was not barred by prior restraint limitations.\footnote{154} The Bunner court noted that unlawful prior restraints often come in the form of judicial injunctions forbidding specific speech prior to the time the speech occurs.\footnote{155} Although the Supreme Court has never expressly defined prior restraint, the Bunner court explained that only content-based injunctions are subject to prior restraint limitations.\footnote{156} Specifically, the "United States Supreme Court has declined to apply prior restraint analysis to a permanent injunction and a preliminary injunction 'issued not because of the content of [the protestors'] expression . . . but because of their prior unlawful conduct.'"\footnote{157}

Applying these standards, the California Supreme Court noted that the trial court "issued the content-neutral injunction because of Bunner's 'prior unlawful conduct.'"\footnote{158} In addition, the court briefly distinguished four cases cited by Bunner and held that the .... The expressive content of these trade secrets therefore does not substantially relate to a legitimate matter of public concern.\footnote{Id. (citations omitted).}

\footnote{153. Id. at 16-17 ("The preliminary injunction issued by the trial court therefore burdens no more speech than necessary to serve the significant government interests promoted by California's trade secret law. Accordingly, it satisfies the Madsen test[.]").}

\footnote{154. See id. at 17 ("Because the injunction is content neutral and was issued because of Bunner's prior unlawful conduct, we conclude it is not a prior restraint and therefore does not violate the First Amendment.").}

\footnote{155. See id. (defining prior restraint). The court explained that "[t]he term prior restraint is used 'to describe administrative and judicial orders forbidding certain communications when issued in advance of the time that such communications are to occur.'" Id. (citing Alexander v. United States, 509 U.S. 544, 550 (1993)). Nonetheless, the court noted that not all injunctions are necessarily prior restraints. Id. (citing Madsen v. Women's Health Ctr., Inc., 512 U.S. 753, 763 n.2 (1994)). For a general discussion of prior restraint analysis, see supra notes 98-107 and accompanying text.}

\footnote{156. See Bunner, 75 P.3d at 17 (citing Thomas v. Chi. Park Dist., 534 U.S. 316, 321-22 (2002)).}

\footnote{157. See id. at 18 (citing Madsen, 512 U.S. at 763 n.2; Schenck v. Pro-Choice Network of W.N.Y., 519 U.S. 357, 374 n.6 (1997)). For a discussion of the prior restraint holdings in Madsen and Schenck, see supra notes 103-07 and accompanying text.}

\footnote{158. Bunner, 75 P.3d at 18 ("Although the court made its finding of prior unlawful conduct in the context of a preliminary injunction and found only that}
trial court’s preliminary injunction was not subject to prior restraint limitations.\textsuperscript{159} Finally, the \textit{Bunner} court stated that although the California constitutional provisions covering free speech are separate and distinct from the First Amendment, “[i]n some areas we have found that the protection afforded by the California liberty of speech clause is coterminous with that provided by the federal Constitution.”\textsuperscript{160} The court further noted that Bunner had failed to cite any authority suggesting that a different holding would result

DVD CCA was likely to succeed on the merits, this finding is sufficient to render inapplicable the heavy presumption against prior restraints.

\footnote{159. See \textit{id.} at 18-19 (stating holding with regard to prior restraint issue). After reaching concluding that the preliminary injunction did not constitute a prior restraint, the court briefly distinguished the four cases on which Bunner had relied. See \textit{id.} (finding Bunner’s prior restraint cases inapposite, unpersuasive, and otherwise distinguishable).
First, the court found \textit{CBS Inc. v. Davis}, 510 U.S. 1315 (1994) inapposite. See \textit{id.} at 18. The Court in \textit{CBS} held that a preliminary injunction enjoining the airing of video on the television show \textit{48 Hours} constituted prior restraint. See \textit{id.} (distinguishing \textit{CBS}); see also \textit{CBS}, 510 U.S. at 1317-18 (noting holding of case). The court in \textit{Bunner} noted that while the CBS Court relied on a lack of clear evidence that the video footage was acquired by improper means, here the court assumed that Bunner knew or had reason to know the DeCSS technology was acquired illegally. See \textit{Bunner}, 75 P.3d at 18 (distinguishing \textit{CBS}).
Second, the court found unpersuasive \textit{Bridge C.A.T. Scan Assocs. v. Technicare Corp.}, 710 F.2d 940 (2d Cir. 1983). See \textit{id.} at 18. The \textit{Bridge C.A.T.} court held that an injunction prohibiting the disclosure of trade secrets lawfully obtained by the defendants constituted unlawful prior restraint. See \textit{id.} (distinguishing \textit{Bridge C.A.T.}); see also \textit{Bridge C.A.T.}, 710 F.3d at 946-47 (noting District Court’s holding). The court noted that unlike \textit{Bridge C.A.T.}, the trial court assumed that Bunner illegally misappropriated the DeCSS technology. See \textit{Bunner}, 75 P.3d at 18 (distinguishing \textit{Bridge C.A.T.}).
Third, the court found inapposite \textit{Oregon ex rel. Sports Mgmt. News, Inc. v. Nachtigal}, 921 P.2d 1304 (Or. 1996). See \textit{id.} at 18-19. The \textit{Nachtigal} court held that a statute prohibiting the disclosure of trade secrets without prior court approval constituted prior restraint. See \textit{id.} (distinguishing \textit{Nachtigal}); see also \textit{Nachtigal}, 921 P.2d at 92-93 (noting holding of case). While the statute in \textit{Nachtigal} “required court approval ‘even when there is no allegation that the third-party publisher has violated the criminal or civil law to possess the information,’” the court in \textit{Bunner} assumed Bunner illegally misappropriated the DeCSS technology in violation of the California UTSA. See \textit{Bunner}, 75 P.3d at 18-19 (quoting \textit{Nachtigal}, 921 P.2d at 1304, and distinguishing it from facts in \textit{Bunner}).
Finally, the court distinguished \textit{Proctor & Gamble Co. v. Bankers Trust Co.}, 78 F.3d 219 (6th Cir. 1996), which held that a permanent injunction prohibiting a news organization from publishing information of public concern violated the First Amendment. See \textit{id.} at 19 (distinguishing \textit{Proctor & Gamble}); see also \textit{Proctor & Gamble}, 78 F.3d at 227 (setting forth holding). The court in \textit{Bunner} noted that while the trial court issued the preliminary injunction after finding DVD CCA was likely to prevail on the merits under the California UTSA, the court in \textit{Proctor & Gamble} issued the injunction without ever determining if the information was indeed a trade secret. See \textit{Bunner}, 75 P.3d at 19 (distinguishing \textit{Proctor & Gamble}).
\footnote{160. \textit{Bunner}, 75 P.3d at 19 (quoting \textit{Los Angeles Alliance}, 93 Cal. Rptr. 2d at 10 n.12); see also \textit{Cal. Const.} art. I, § 2 (providing free speech rights). The court explained that both the \textit{Madsen} test as well as the refusal to apply prior restraint limitations to content-neutral injunctions have been applied within California con-}
under a California constitutional analysis, and therefore concluded that the preliminary injunction did not violate the California Constitution.\textsuperscript{161}

3. Limitation of Holding and Standard of Review on Remand

After concluding its First Amendment analysis, the California Supreme Court expressly limited its holding on the basis of its direct assumption that the plaintiff was likely to prevail on the merits.\textsuperscript{162} The court noted that on remand the court of appeal should test the validity of the court’s basic assumption of these facts.\textsuperscript{163} On remand, the \textit{Bunner} court explained that “‘any factual findings subsumed’ in the trade secret misappropriation determination ‘are subject to constitutional fact review.’”\textsuperscript{164} The court explained that if the court of appeal holds that the preliminary injunction was improper under the California UTSA, then the trial court abused its discretion.\textsuperscript{165} If the trial court properly assumed DVD CCA was likely to prevail on the merits under the California UTSA, then the injunction should be upheld.\textsuperscript{166}
4. Justice Moreno’s Concurrence

Although Justice Moreno concurred with the majority opinion in Bunner, Justice Moreno stressed that DVD CCA was actually unlikely to prevail on the merits under the California UTSA.\(^{167}\) Justice Moreno began by noting that when balancing First Amendment free speech rights with trade secret protection, the party seeking the injunction has the burden of providing sufficient evidence before the injunction can be granted.\(^{168}\) Justice Moreno further noted the majority’s “recogni[tion] that a preliminary injunction against the disclosure of an alleged trade secret without sufficient evidentiary support is an unlawful prior restraint.”\(^{169}\) Although the majority assumed that DVD CCA was likely to prevail on the merits, Justice Moreno emphasized that an independent review of the facts demonstrated that DVD CCA was actually unlikely to prevail on the merits under the California UTSA.\(^{170}\)

Justice Moreno explained the general rule regarding trade secrets: “once the secret is out, the rest of the world may well have a

\(^{167}\) See Bunner, 75 P.3d at 21 (Moreno, J., concurring) (“I concur in the majority’s narrow holding, which, as I understand it, is that the First Amendment does not categorically prohibit preliminary injunctions to enjoin the publication of trade secrets.”). Nonetheless, Justice Moreno explained that the “DVD Copy Control Association’s (DVD CCA) trade secret claim against Bunner is patently without merit . . . .” Id.

\(^{168}\) See id. at 24. The court explained: how should a court balance First Amendment protections with an alleged trade secret holder’s property rights when asked to issue a preliminary injunction against publication . . . [t]he answer lies in requiring the plaintiff to make a sufficient evidentiary showing before the injunction is granted. Id. See also DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 2 (“To balance free speech protections against an alleged trade secret holder’s property rights, [Justice] Moreno said, a court asked to issue an injunction should make the plaintiff produce enough evidence up front to actually establish a likelihood of prevailing on the merits and that the balance of harms was in his favor.”).

\(^{169}\) Bunner, 75 P.3d at 24 (Moreno, J., concurring). Justice Moreno explained that when the majority distinguished the prior restraint limitations in Bridge C.A.T. and CBS, the court relied heavily on the assumption that Bunner had misappropriated the DeCSS trade secrets under the California UTSA. See id. (noting majority distinguishing Bridge C.A.T. and CBS). Justice Moreno stated that “[i]mplicit in these statements is the assumption that a preliminary injunction of a trade secret publication without the requisite evidence in support would be unlawful prior restraint.” Id. Therefore, Justice Moreno summarized that “a preliminary injunction on speech issued without a credible determination that plaintiff will prevail on the merits is a quintessential case of suppressing speech before an adequate determination that it is unprotected by the First Amendment and would therefore be an unlawful prior restraint.” Id. at 26 (citation omitted).

\(^{170}\) See id. at 26 (“Undertaking independent review, I conclude, as a matter of law, that there is no likelihood that the DVD CCA would prevail on the merits.”).
right to copy it at will; but this should not protect the misappropriator or his privies." 171 Justice Moreno stressed, however, that "DeCSS was not demonstrably secret in this case when Bunner republished it, and Bunner was neither alleged to be the original misappropriator nor to be in privity with any such misappropriators." 172

Justice Moreno noted that Bunner initially acquired the DeCSS program by downloading the software from an Internet site. 173 Although neither the date of Bunner's initial posting of DeCSS on his website nor the widespread availability of DeCSS on the Internet were clear, Justice Moreno noted that DVD CCA claimed that as of December 1999, at least 118 websites either contained or linked viewers to sites containing the DeCSS source code. 174 In addition, Justice Moreno pointed out that courts generally hold "a party not involved in the initial misappropriation of a trade secret cannot be prosecuted under trade secret law for downloading and republishing proprietary information posted on the Internet, primarily because the information is in the public domain and is no longer secret." 175

171. Id; see also Free Speech Rights of Website Operator Were Not Violated by Preliminary Injunction Barring Posting of DeCSS Software, California Supreme Court Holds in Trade Secrets Case Filed by DVD Copyright Control Association; But Case is Remanded for Further Review of Whether DeCSS was a "Trade Secret,” ENT. L. REP., Aug. 2003, at 6 (listing general rule regarding trade secret public disclosure).

172. Bunner, 75 P.3d at 26 (Moreno, J., concurring); see also DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 2 (asserting Justice Moreno's opinion that Bunner was not connected to original misappropriator). According to one report:

Bunner counters that he simply republished material that was already widely available to the public. He had nothing to do with creating DeCSS or "cracking" the DVD copy protection system, he maintains... "Bunner had no relationship with appellant DVDCCA [sic], nor with those who allegedly improperly obtained and published the asserted trade secret," Bunner maintains. "Bunner had no special access to the asserted trade secret; it was equally accessible to millions of people around the world. As regrettable as it may be, the trade secret is no longer secret. The preliminary injunction cannot undo this result."

Calif. Supreme Court Hears Arguments in DVD Decryption Case, supra note 43, at 11-12.

173. See Bunner, 75 P.3d at 27 (Moreno, J., concurring) (noting Bunner "learned of DeCSS from a computer discussion group and downloaded it from a Web site on the Internet").

174. See id. ("[A]t the time the complaint against Bunner and others was filed in December 1999, approximately two months after the initial posting, at least 118 Web sites had been identified that either contained proprietary information related to CSS or provided links to other Web sites with such information.").

175. Id. Justice Moreno continued, explaining that "[t]his conclusion is also consistent with the principle that the First Amendment generally prohibits limitations, absent some extraordinary showing of governmental interest, on the publication of information already made public." Id.
The trial court held that the trade secret was not lost because DVD CCA moved quickly to seek the injunction to protect the trade secret technology.\(^{176}\) However, as Justice Moreno explained, section 3426.1(d) of the California UTSA requires not only a reasonable effort in protecting the secrecy of the information, but also that the information is not generally known to the public.\(^{177}\) Justice Moreno concluded that DVD CCA’s diligent efforts to protect trade secrets through injunctive relief fulfilled only one of the California UTSA’s two requirements.\(^{178}\) Turning to the second requirement, Justice Moreno noted that DVD CCA’s burden of proof included establishing that the DeCSS program remained a trade secret despite its availability on the Internet.\(^{179}\) Justice Moreno noted that not only did DVD CCA fail to meet this burden of proof, the trial court also failed to make any factual finding that “the information was still secret when Bunner republished it.”\(^{180}\) Justice Moreno thus concluded that because DVD CCA failed to establish the DeCSS source code posted across the Internet remained secret, the preliminary injunction was, in fact, an unlawful prior restraint rendering the decision to remand unnecessary.\(^{181}\)

B. Critical Analysis

1. *Are Computer Codes Necessarily “Speech?”*

By relying on a concrete foundation of legal precedent, the California Supreme Court specifically held that the trial court’s preliminary injunction banning the posting of the DeCSS source code did not violate the free speech provisions of the First Amendment.\(^{182}\) Discussing the clear precedent set forth in *Corley, Junger,*

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176. See *id.* (noting trial court’s statement that “[p]laintiffs moved expeditiously, reasonably and responsibly to protect their proprietary information as soon as they discovered it had been disclosed by investigating, sending cease and desist letters all over the world and then filing suit against those who refused within two months of the disclosure.”).

177. See *id.* (explaining two secrecy factors necessary in defining trade secrets). For a complete discussion of the California UTSA, see *supra* notes 50-57 and accompanying text.

178. See *Bunner,* 75 P.3d at 28 (Moreno, J., concurring) (“In order to claim the existence of the trade secret, both conditions must be present.”).

179. See *id.* (noting “a plaintiff carries the burden of showing that the trade secret remains a secret despite the Internet posting”).

180. *Id.* Justice Moreno noted that rather than make a particularized finding that the DeCSS information was secret when Bunner published it, the trial court had instead simply treated “the 20 or so defendants as a class and ma[de] general statements that these defendants had published secret information.” *Id.*

181. See *id.* at 28-29 (stating Justice Moreno’s concurrence holding).

182. See *id.* at 20 (noting limited First Amendment holding of case); see also *Sweeting,* *supra* note 163, at 4 (“The California Supreme Court handed Hollywood
and Reimerdes, the Bunner court quickly determined that the DeCSS program was protected speech under the First Amendment because computer codes and programs are fundamentally a means of expressing human ideas. Nonetheless, Professor Ron Dixon has criticized the reasoning in Corley and Junger, explaining that computer source code "might better be classified as 'artificial speech'" for purposes of First Amendment scrutiny.

According to Professor Dixon, although computer source code resembles natural language, courts may have taken this resemblance too far. Professor Dixon notes that source code is fundamentally different from natural language because it becomes directly related to the object it represents, rather than simply conveying an expression to humans. Furthermore, Professor Dixon

studies a major victory Monday as it overturned a lower court ruling and declared that the First Amendment does not allow a publisher to disseminate private trade secrets.

183. See Bunner, 75 P.3d at 10-11 ("'As computer code ... is a means of expressing ideas, the First Amendment must be considered before its dissemination may be prohibited or regulated ... .'") (quoting Reimerdes, 111 F. Supp. 2d at 327); see also Universal City Studios, Inc. v. Corley, 273 F.3d 429, 449 (2d Cir. 2001) (announcing "we join the other courts that have concluded that computer code, and computer programs constructed from code can merit First Amendment protection"); Junger v. Daley, 209 F.3d 481, 485 (6th Cir. 2000) ("Because computer source code is an expressive means for the exchange of information and ideas about computer programming, we hold that it is protected by the First Amendment"); Universal City Studios, Inc. v. Reimerdes, 111 F. Supp. 2d 294, 327 (S.D.N.Y. 2000) ("As computer code — whether source or object — is a means of expressing ideas, the First Amendment must be considered before its dissemination may be prohibited or regulated."), amended by No. 00 Civ. 0277, 2001 U.S. Dist. LEXIS 12548, at *1 (S.D.N.Y. Aug. 17, 2001). For a complete discussion of how computer code and programs are offered First Amendment protection, see supra notes 58-76 and accompanying text.

184. See Dixon, supra note 14, at ¶ 73 ("By classifying the source code of technology and science as a unique type of 'speech,' courts might begin to more carefully assess how source code should fit within our First Amendment jurisprudence."). Although Professor Dixon proposes a new definition for describing source code as "artificial speech," he agrees that there are circumstances when source code should be subject to protection under First Amendment scrutiny:

Although I am urging that a new category of speech be used to meaningfully assess what it is about source code that might render it protectable speech, the use of the term artificial speech is not meant to imply that source code is, in my view, outside the scope of the First Amendment. Indeed, it seems apparent that there are clear circumstances when source code should be subject to protection under the First Amendment; what is less apparent is whether courts have adopted a meaningful test to render their assessment.

Id. (footnote omitted).

185. See id. at ¶ 76 ("Source code resembles natural language because it is written in computer language, some of which closely approximates natural language.") (footnotes omitted).

186. See id. ("[O]n the level of abstractions from high level computer language toward machine code, source code seemingly becomes fundamentally differ-
noted that although a computer programmer can write source code for the purpose of conveying a specific message to other humans through a computer program, "[t]he very process of reverse engineering object code into some form of source code dislodges any argument that human action is necessary to produce some forms of source code." Reverse engineering allows a user to utilize specialized programs which mimic the original process of developing the underlying software. In so doing, the reverse engineering program, rather than the user, copies the underlying software to yield the source code. Therefore, Dixon has posited that source code should be dubbed "artificial speech" for purposes of First Amendment scrutiny because there may be no way to ensure that a particular source code was written by humans for the purpose of expressing information to others.

2. Is DeCSS Software Still a Trade Secret?

As opposed to Professor Dixon's view, the California Supreme Court relied on the precedent set forth by Corley, Junger, and Reimerdes, holding that DeCSS source code was protectable speech from natural language by assuming a direct relationship with the object it represents rather than the meaning upon which is imposed for the purpose of conveying content to humans.

187. Id. at ¶ 83. Professor Dixon explains: There is no valid argument that source code is inherently more like "speech" than object code, machine code or any other label. Rather, the point is that the code used by the programmer to develop software and to express something about the code's content for the purpose of communicating that expression warrants some degree of protection under the First Amendment regardless of the label that is affixed to it. Id. at ¶ 83 n.195.

188. See id. at ¶ 29. "Often, reverse engineering requires an end-user to use a software tool that reverses the process of software development to yield the source code." Id. (explaining that reverse engineering process, used in this manner, is often referred to as "decompilation").

189. See Dixon, supra note 14, at ¶ 29 (describing process of reverse engineering to yield computer source codes).

190. See id. at ¶ 83 (concluding source codes should be called artificial speech for purposes of First Amendment scrutiny). Professor Dixon further stated: Hence, there may be no way to ensure that source code in any particular endeavor was produced by an individual, much less to show that the source code at issue was produced to convey information to a human rather than merely to instruct a machine. Consequently, it seems hardly noteworthy to conclude, as a general matter, that source code is speech. Instead, the logically coherent argument might be to say that source code is artificial speech that may be protectable under the First Amendment as an expressive activity.

Id. (footnotes omitted).
under the First Amendment. The \textit{Bunner} court also held that the injunction was subject to the lower scrutiny standard because it was content-neutral.\footnote{191} Applying the \textit{Madsen} test to the injunction at issue, the governmental interests underlying the protection of trade secrets outweighed the burdens placed upon Bunner and other website operators.\footnote{193} The California Supreme Court, however, specifically limited its First Amendment holding on its predicate assumption that DVD CCA was likely to prevail on the merits under the California UTSA.\footnote{194}

\begin{quotation}
\footnote{191} See DVD Copy Control Ass'n, \textit{Inc. v. Bunner}, 75 P.3d 1, 10-11 (Cal. 2003) ("As computer code . . . is a means of expressing ideas, the First Amendment must be considered before its dissemination may be prohibited or regulated.") (quoting \textit{Reimerdes}, 111 F. Supp. 2d at 327).

\footnote{192} See id. at 12 ("Because the preliminary injunction at issue here does not 'involve government censorship of subject matter or governmental favoritism among different viewpoints,' it is content neutral and not subject to strict scrutiny.") (quoting \textit{Los Angeles Alliance v. Los Angeles}, 93 Cal. Rptr. 2d at 1, 17 (Cal. 2000)); see also Julie Hilden, \textit{California's Supreme Court and the DVD Encryption-Cracking Code}, at http://www.cnn.com/2003/LAW/09/04/findlaw.analysis.hilden.dvd/index.html (Sept. 4, 2003) ("The First Amendment is primarily concerned with 'content based' laws (which target particular ideas), not 'content neutral' ones (which do not). And while the injunction targeted Bunner's DeCSS code posting, it did not do so because of its content."). For a discussion of determining content neutrality, see \textit{supra} notes 77-84 and accompanying text.

\footnote{193} See Bunner, 75 P.3d at 17 ("The preliminary injunction issued by the trial court therefore burdens no more speech than necessary to serve the significant government interests promoted by California's trade secret law."); see also Hilden, \textit{supra} note 192 (reporting California Supreme Court's application of \textit{Madsen} test).

\footnote{194} See Bunner, 75 P.3d at 17 ("Because we assume for purposes of this appeal that the injunction is justified under California's trade secret law, we also assume that this provision of the injunction is necessary to protect DVD CCA's property interest in the misappropriated trade secrets."). Explaining the unusual tactic behind attacking the DeCSS posting under the California UTSA, Hilden elaborated on the California Supreme Court's factual assumptions:

The tactic of invoking trade secret law in this context is ingenious. But it's also a bit weird. Just because DeCSS decrypts CSS, doesn't mean it must incorporate CSS's trade secrets. (After all, a can opener doesn't resemble the can it pries open.) And how secret were these supposed secrets, anyway, if reverse engineering could reveal them?

However, the California Supreme Court did not address any of this weirdness. Rather, it assumed that, as the trial court found, DVD CCA will indeed be likely to be able to prove a trade secrets violation. Only
\end{quotation}
Justice Moreno offers a strong argument opposing the validity of that assumption and the resulting decision to remand the case in his concurring opinion. According to Justice Moreno, the DeCSS source code was no longer a trade secret at the time Bunner posted it on his website because it was widely available on numerous other Internet websites. The widespread availability of the DeCSS program seems to indicate that the majority may have inaccurately assumed that DeCSS was still a trade secret. Moreover, Justice Moreno noted that DVD CCA never alleged that Bunner was the original misappropriator or that Bunner was in contact with parties to the original misappropriation. Justice Moreno stressed that "a party not involved in the initial misappropriation of a trade secret cannot be prosecuted under trade secret law for downloading and republishing proprietary information posted on the Internet, primarily because the information is in the public domain and is no longer secret." Thus, Justice Moreno may have correctly concluded that the preliminary injunction was an unlawful time, evidence, and further trial court proceedings will show if this is actually true. In short, the trade secrets battle over DeCSS not only has not been lost — it was never even fought.

Hilden, supra note 192.

195. See Bunner, 75 P.3d at 28 (Moreno, J., concurring) (holding “DVD CCA has failed to establish that the information Bunner republished was still secret at the time he republished it on his Web site”). For a detailed discussion of Justice Moreno’s concurring opinion, see supra notes 167-81 and accompanying text.

196. See Bunner, 75 P.3d at 27 (noting DVD CCA’s attorney declared 118 websites had been identified that, at the time the complaint was filed, “either contained proprietary information related to CSS or provided links to other Web sites with such information”).

197. See Calif. Supreme Court Hears Arguments in DVD Decryption Case, supra note 43, at 11-12 (“Bunner had no special access to the asserted trade secret; it was equally accessible to millions of people around the world. As regrettable as it may be, the trade secret is no longer secret.”). Cindy Cohen, the Legal Director of the Electronic Frontier Foundation, stated “‘DeCSS is obviously not a trade secret since it’s available on thousands of Web sites, T-shirts, neckties and other media worldwide.’” Sweeting, supra note 163, at 17. Nonetheless, Robert Sugarman, DVD CCA’s lead counsel, explained that “[w]hen we go back to the Court of Appeal to actually litigate the (trade secret) issue, we believe that we will be able to establish that the trial court acted properly and had sufficient evidence to issue [the] injunction.” Id.

198. See Bunner, 75 P.3d at 26 (Moreno, J., concurring) (“DeCSS was not demonstrably secret in this case when Bunner republished it, and Bunner was neither alleged to be the original misappropriator nor to be in privity with any such misappropriators.”).

199. Id. at 27. Justice Moreno noted that DVD CCA had the burden of proof to demonstrate that the DeCSS program was still fundamentally secret. See id. (explaining plaintiff has burden of proof). Without any factual evidence illustrating that DeCSS was still a secret, Justice Moreno stated that DVD CCA failed to meet that burden. See id. at 27-28 (stating “DVD CCA cannot sustain its burden of demonstrating a likelihood of prevailing on the merits”).
prior restraint and that the remand to the court of appeal was an "unnecessary delay in resolving this litigation" that "can only further burden speech protected by the First Amendment." 

The widespread availability of DeCSS on the Internet at the time of Bunner's posting makes it difficult to understand why the majority assumed that DVD CCA's encryption technology was still secret. The Internet allows "tens of millions of people to communicate with one another and to access vast amounts of information from around the world." DVD CCA specifically admitted that "at the time the complaint against Bunner and others was filed in December 1999, approximately two months after the initial posting, at least 118 Web sites had been identified that either contained proprietary information related to CSS or provided links to other Web sites with such information." Each of the 118 identified websites contained information that was freely available for public viewing on the Internet.

Therefore, DeCSS was widely available to anyone with a computer and an Internet connection, making the argument that the technology was still a trade secret difficult to swallow. Despite the obvious widespread availability of DeCSS source code, the majority remanded the case to the court of appeal to "determine whether the evidence in the record supports the factual findings necessary to establish that the preliminary injunction was warranted under California's trade secret law."

200. Id. at 26. Internet lawyer James Tyre agreed with Justice Moreno, declaring "'[t]he remand serves only to delay and to add to the cost of resolution of an extremely important issue regarding computers, reverse engineering and the Internet.'" DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 2.

201. See Calif. Supreme Court Hears Arguments in DVD Decryption Case, supra note 43, at 11 (noting availability of DeCSS technology on Internet).


203. Bunner, 75 P.3d at 27 (Moreno, J., concurring) (addressing extent of DeCSS across Internet).

204. See Pavlovich, 58 P.3d at 5 ("If a Web page is freely accessible, then anyone with access to a computer connected to the Internet may view that page.").

205. See id. (describing prolific growth of Internet); see also See Calif. Supreme Court Hears Arguments in DVD Decryption Case, supra note 43, at 11 (noting availability of DeCSS across Internet); Sweeting, supra note 163, at 4 (illustrating criticism of court's trade secret assumption).

206. Bunner, 75 P.3d at 20 (noting majority decision to remand) (citation omitted).
V. IMPACT

Prior to the California Supreme Court’s decision in Bunner, critics argued that the court of appeal decision would have an extremely harmful effect on the protection of trade secrets within the entertainment industry. Critics explained that the court of appeal decision was akin to a “burglary tool” that would impede the development of future DVD technology. In fact, DVD CCA’s suit against Bunner “is among hundreds the entertainment industry has brought to stop the program’s spread,” which DVD CCA claims has led to more than $3 billion in lost sales due to illegal DVD piracy.

Prior to Bunner decision, the California Supreme Court was flooded with more than forty-two amicus briefs arguing for reversal on behalf of the entertainment industry and other American corporate interests. Although the amicus briefs submitted by corporations such as Coca-Cola Co., the Motion Picture Association of America (“MPAA”), and the National Football League are commonplace among major court decisions, the “sheer volume and

207. See Lafferty, supra note 48, at 4 (“Beyond DVD encryption, the ruling has additional implications for the entertainment industry, which has frequent trade secret issues.”). After the court of appeal’s ruling, Jeffrey Kessler, counsel for DVD CCA, stated “the ruling makes it impossible for companies to prevent the theft of trade secrets.” Id. Furthermore:

“This case holds that the California Uniform Trade Secrets Act is unconstitutional to the extent that it allows preliminary relief,” Kessler said. “The whole point of the UTSA is if you have a trade secret and someone steals [it], you can get an injunction and prevent it from being spread. Because once it’s spread, it has no value.”

208. See Sweeting, supra note 48, at 10 (“The Court of Appeal’s ruling was a significant setback for the studios and DVD-CCA, who hoped to use California’s strict trade secret laws to protect CSS as well as any future encryption system the studios may use, such as on next-generation high-definition DVDs.”). According to California Attorney General Bill Lockyer, “[c]omputer hackers can’t distribute private property...” Id. at 23.

209. California; DVD Group Seeks Reversal of Ruling on Decoding Tool; Industry argues posting of decryption program should not be protected by the 1st Amendment, supra note 29, at 2. Although DVD CCA claims movie companies lose more than $3 billion due to movie piracy, “[c]onsumers, meanwhile, will spend as much as $15.4 billion on digital video discs this year.” Id. According to California Attorney General Bill Lockyer, “using the Internet to disseminate information was like using the loudest megaphone on the planet.” Id.

210. See McKee, supra note 29, at A10 (“The California Supreme Court... has been flooded with amicus briefs on behalf of 42 companies or organizations — with most taking industry’s side.”). Most of the businesses submitting amicus briefs were stunned by the court of appeal decision, fearing that the ruling would “lead to rampant trade secret theft by making it nearly impossible to block the distribution of malicious software programs.” Id.
powerhouse nature of those filed in the DVD cases are noteworthy.”\textsuperscript{211} In addition to the contributions by these corporations and organizations, California Attorney General Bill Lockyer submitted an amicus brief in support of DVD CCA.\textsuperscript{212} Lockyer argued to the California Supreme Court that a reversal of the court's holding was vital to protect the development of trade secrets, future investment and creativity within the technology industry, and the common standards of commercial ethics.\textsuperscript{213}

Despite the emphasis Lockyer and the numerous corporations placed on the pending California Supreme Court decision, its immediate impact upon the technological sector is debatable.\textsuperscript{214} Attorneys and supporters of DVD CCA claimed a key victory for the protection of trade secrets, respectfully disagreeing with Justice Moreno's conclusion that DVD CCA was actually unlikely to prevail on the merits under the California UTSA.\textsuperscript{215} In contrast, some supporters of Andrew Bunner have downplayed the decision, stating

\bibitem{211} Id. Richard Epstein, a University of Chicago law professor, submitted an amicus brief on behalf of Coke, Microsoft Corp., Ford Motor Co., The Boeing Co., Sears, Roebuck & Co., Procter & Gamble Co., AOL Time Warner Inc., BellSouth Corp., and the National Association of Manufacturers. \textit{Id.} Professor Epstein stated that if the California Supreme Court affirmed the court of appeal decision, "businesses will no longer be able to rely on California courts to preserve a wide range of trade secrets, from customer lists to blueprints to industrial know-how — even the secret formula for Coca-Cola." \textit{Id.}

\bibitem{212} See id. ("Besides Coke and its colleagues, DVD Copy Control is backed by California Attorney General Bill Lockyer, the Intellectual Property Owners Association, and 24 entertainment and sports organizations ranging from the Screen Actors' Guild to the National Hockey League and the Office of the Commissioner of Baseball.").

\bibitem{213} See Cal. High Court Tackles Secrets, First Amendment Issues On DeCSS, supra note 29, at 1 (describing Lockyer's arguments). Specifically:
He argued, as amicus to DVD CCA, that Cal. had a strong interest in: (1) Protecting trade secrets on new products and processes. (2) Preventing and combating piracy, whose threat was demonstrated by music file-sharing. (3) Encouraging investment in technology companies. (4) Encouraging creative arts and protecting artists' livelihoods. (5) Promoting commercial ethics. All Cal[ifornia] technology is "at risk to the destructive work of hackers and misappropriation by competitors or others if the [secrets] rule is relaxed," Lockyer said.

\textit{Id.}

\bibitem{214} See DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 2 (illustrating various impact arguments from both sides of case); \textit{see also} Hilden, \textit{supra} note 192 (offering two issues Bunner raises for future); Sweeting, \textit{supra} note 163, at 4 (describing arguments concerning precedential value of decision).

\bibitem{215} See DVD CCA and Web Site Operator Both Claim Wins in Cal. Case, supra note 32, at 2. "[I]t was a win not only for DVD CCA but for all trade secret holders because it made clear that the First Amendment didn’t ban the issuance of a preliminary injunction.” \textit{Id.} at 1 (summarizing comments by Robert Sugarman, counsel for DVD CCA). Sugarman explained DVD CCA’s thoughts on the impact of the California Supreme Court decision:
that while the decision will have a very beneficial impact on the software industry, the precedential value is limited by earlier federal court decisions.\textsuperscript{216} One of the attorneys for Bunner actually stated that the decision was "good news for Netizens because it requires courts to consider an individual's free speech rights before barring publication of publicly available information."\textsuperscript{217}

Although some critics claim that the California Supreme Court decision was predictable, it raised several issues regarding trade secrets and the prior restraint doctrine for the future.\textsuperscript{218} In \textit{Bunner}, the California Supreme Court specifically held that the prior restraint limitations did not apply because the trial court "issued the content-neutral injunction because of Bunner's 'prior unlawful conduct.'"\textsuperscript{219} The \textit{Bunner} decision raises future questions relating to how the doctrine of prior restraint, which generally forbids injunctions prohibiting speech before it occurs, will apply to Internet postings that can change from minute to minute.\textsuperscript{220} The \textit{Bunner} decision raises future questions relating to how the doctrine of prior restraint, which generally forbids injunctions prohibiting speech before it occurs, will apply to Internet postings that can change from minute to minute.\textsuperscript{220} The \textit{Bunner} decision raises future questions relating to how the doctrine of prior restraint, which generally forbids injunctions prohibiting speech before it occurs, will apply to Internet postings that can change from minute to minute.\textsuperscript{220} The \textit{Bunner} decision raises future questions relating to how the doctrine of prior restraint, which generally forbids injunctions prohibiting speech before it occurs, will apply to Internet postings that can change from minute to minute.\textsuperscript{220} The \textit{Bunner} decision raises future questions relating to how the doctrine of prior restraint, which generally forbids injunctions prohibiting speech before it occurs, will apply to Internet postings that can change from minute to minute.\textsuperscript{220}

The DVD CCA is "very pleased with the decision," Sugarman said. It upholds the right of trade secret owners to protect their secrets through resort to the courts, he said, and says the First Amendment isn't a bar to preliminary injunctions in such cases. "We respectfully disagree with Judge [sic] Moreno's opinion," Sugarman said, and will take the opportunity to litigate that issue in the appeals court. However, he said, the fact that the high court ruled in DVD CCA's favor on the key issue means the decision is a "complete victory" for the group.

\textit{Id.} at 2.

\textsuperscript{216} \textit{See id.} (describing views on precedential impact). Jonathan Band, an attorney for Morrison & Foerster, explained the "huge irony" of the case: The case in many cases has become "completely irrelevant" to the parties because of a ruling — by the 2nd U.S. Appeals Court, N.Y. in \textit{Universal v. Corley} — upholding the constitutionality of the Digital Millennium Copyright Act and finding that DeCSS violates it, Band said. That makes the Cal[ifornia] decision a "side show," he said.

On the other hand, Band said, the Cal[ifornia] Court of Appeals' [sic] holding that trade secret injunctions violate the First Amendment had a "potentially huge collateral impact" on the software industry, a problem the Cal[ifornia] Supreme Court has now resolved. The appellate court decision was "very bad for software companies," Band said, and its reversal is "very good."

\textit{Id.} at 2-3.

\textsuperscript{217} \textit{Id.} at 1 (noting both sides claimed victory after California Supreme Court decision).

\textsuperscript{218} \textit{See Hilden, supra note 192} ("Though the California Supreme Court's decision was predictable, it did raise two issues that will be very interesting for the future.").

\textsuperscript{219} \textit{Bunner}, 75 P.3d at 18; \textit{see also} Hilden, \textit{supra} note 192 (stating "the California Supreme Court held that the prior restraint doctrine didn't apply, for a very simple reason: The posting of the DeCSS code had already occurred even before the injunction was issued").

\textsuperscript{220} \textit{See Hilden, supra note 192} (arguing prior restraint doctrine may be outdated). Hilden asked, "[w]hat does it mean to have a restraint be 'in advance of

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decision also raises key issues regarding reverse engineering, most importantly, whether it falls under First Amendment protection.\footnote{221. See id. (explaining “reverse engineering, very roughly, is figuring out how to engineer something by simply examining it”). Hilden argues that reverse engineering may also be protected by the First Amendment because “it is plainly a creative process, and one that spurs innovation.” Id. For a detailed description of the process of reverse engineering, see supra notes 13-15 and accompanying text.}

Notwithstanding attempts to downplay the precedential value of the California Supreme Court’s decision in \textit{Bunner}, the case offers a systematic application of First Amendment free speech principles to highly sophisticated computer software posted on the Internet.\footnote{222. See \textit{Bunner}, 75 P.3d at 6-20 (applying First Amendment scrutiny to DeCSS source code postings).} The \textit{Bunner} court’s reversal of the court of appeal decision helped maintain trade secret protection by permitting injunctive relief against misappropriation.\footnote{223. See id. at 9 (noting California UTSA “clearly contemplates the use of injunctive relief as a remedy for trade secret misappropriation”).} The remedy of injunctive relief is necessary to encourage future development not only within the computer software industry, but within all other industries relying on proprietary information.\footnote{224. See Hilden, supra note 192 (highlighting impact of decision). Hilden explained the impact of the \textit{Bunner} decision: Why were the stakes so high? Because if the court had ruled the other way — which was very unlikely — trade secret protection on the Internet, which is already embattled . . . would have entirely disappeared. Trade secrets would hardly be secret in any meaningful sense anymore, as they would be allowed to remain on the Internet for all the months or years during which a case is pending. Moreover, if the court had ruled the other way, copyright protection on the Internet would also have taken a huge body blow. The more DeCSS is promulgated, the more users will be enabled to crack movie encryption codes and view copyrighted movies for free. \textit{Id.}} Although the decision to remand the case may seem like a waste of time and tax dollars to some, the specific injunctive relief necessary to protect DVD CCA’s trade secrets from widespread dissemination across the Internet rests within the hands of the California court of appeal.

\textit{Nick Washburn}