

August 15, 2016

The Honorable Chief Justice Tani Cantil-Sakauye And Associate Justices California Supreme Court 350 McAllister Street, Fourth Floor San Francisco, CA 94102

Amicus letter of ACLU of Northern California, Electronic Frontier Foundation, and Public Participation Project supporting request for review in *Hassell v. Bird*, No. S235968 (San Francisco Sup. Ct. No. CGC-13-530525; Court of Appeal No. A143233)

Constitutional protections for due process and freedom of expression prohibit a court from issuing an injunction that restricts a non-party's speech, even when that non-party has a close relationship with the defendant and where the injunction only prohibits actions that have been found to be illegal. *Zenith Radio Corp. v. Hazeltine Research, Inc.*, 395 U.S. 100, 109-12 (1969); *Carroll v. President & Comm'rs of Princess Anne*, 393 U.S. 175, 181 (1968). But the Court of Appeal here upheld an injunction that does just that: it requires Yelp to remove speech from its website without giving it any opportunity to argue that the speech in question is constitutionally protected.

Because the Court of Appeal's opinion is inconsistent with *Zenith Radio* and *Carroll* and will allow litigants to suppress protected speech, this Court should grant review. *See* Rule of Court 8.500(b)(1).

1. Interests of amici

Proposed Amicus American Civil Liberties Union of Northern California (ACLU-NC) is a nonprofit, nonpartisan civil liberties organization dedicated to the principles of liberty and equality embodied in both the United States and California constitutions. For more than 75 years, the ACLU-NC has worked to protect the freespeech and due-process rights of Californians through litigation and other advocacy.

Proposed Amicus the Electronic Frontier Foundation (EFF) is a non-profit, member-supported civil liberties organization based in San Francisco working to protect consumer interests, innovation, and free expression in the digital world. EFF is particularly interested in the First Amendment rights of Internet users and views the protections provided by the First Amendment as vital to the promotion of a robust, democratic society.

Proposed Amicus Public Participation Project was founded in 2008 for the purpose of educating the public about SLAPPs, or Strategic Lawsuits Against Public Participation, and the consequences of these types of destructive lawsuits on free-speech rights. Its mission is to obtain passage of federal Anti-SLAPP legislation in Congress and to assist individuals and organizations working to pass state Anti-SLAPP laws.

2. The Court of Appeal's holding threatens free speech.

Although this case primarily raises a due-process claim, it implicates the constitutional protections for free speech because the superior court's order directs Yelp to remove potentially protected speech from its website. The First Amendment protects not only authors and speakers but also those who publish or distribute their words. *Bigelow v. Virginia*, 421 U.S. 809, 818 (1975); *New York Times Co. v. Sullivan*, 376 U.S. 254, 265-67 (1964). These distributers sometimes have rights that the original source of the information does not have. For example, a person who intercepts a telephone conversation or leaks confidential documents may be subject to civil and criminal penalties. *See Bartnicki v. Vopper*, 532 U.S. 514, 523 (2001). But a newspaper that receives that information has a First Amendment right to publish it. *Id.; see New York Times Co. v. United States*, 403 U.S. 713, 714 (1971) (per curiam).

The Court of Appeal's decision denies Yelp the opportunity to defend its own First Amendment rights. This is particularly problematic because a distributer like Yelp may often value the speech more than the original speaker, or at least be in a better position to defend it. For example, when a political operative inadvertently reveals too much about her candidate, she may be happy to see her ill-considered words suppressed; but the reporter who heard the remarks – and his newspaper – may value it immensely and be willing to fight to publish it as part of a story on the candidate. The newspaper's right to include that quote in a story cannot be made to

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depend on the outcome of a lawsuit in which no party shares the paper's interests or protects its rights. Here too, Yelp must have a right to argue that the speech on its website is protected by the First Amendment before a court can order it to remove it.

Moreover, regulation of speech requires "especially sensitive procedures." Kash Enterprises, Inc. v. City of Los Angeles, 19 Cal. 3d 294, 309-10 (1977) (citation omitted); see Carroll, 393 U.S. at 183-84. As a result, appellate courts have "an obligation to make an independent examination of the whole record in order to make sure that the judgment does not constitute a forbidden intrusion on the field of free expression." Bose Corp. v. Consumers Union of U.S., Inc., 466 U.S. 485, 499 (1984) (quotations and citations omitted); In re George T., 33 Cal. 4th 620, 633 (2004). Any "constitutionally relevant facts" must be reviewed de novo. Evans v. Evans, 162 Cal. App. 4th 1157, 1166 (2008).

Here, the Court of Appeal interpreted Code of Civil Procedure § 663 to completely preclude Yelp's challenge to the factual determinations that led the trial court to rule that the posts in question were defamatory. Far from making an independent examination of the record, the appellate court refused to examine it at all. This violates the First Amendment. *George T.*, 33 Cal. 4th at 621; *Bose*, 466 U.S. at 499 (state court rules cannot preclude appellate "independent examination of the record" in First Amendment cases).

3. The Court of Appeal's opinion violates *Zenith Radio*'s holding that an injunction cannot name non-parties.

As an initial matter, the Court of Appeal's holding that the order requiring Yelp to remove the comments from its website is not an injunction is wrong as a matter of statutory and constitutional law. As both the Fourth and Third Districts have held, California law defines an injunction "as a writ or order commanding a person either to perform or to refrain from performing a particular act." *People v. Brewer*, 235 Cal. App. 4th 122, 135 (2015) (quoting *McDowell v. Watson*, 59 Cal. App. 4th 1155 (1997)); *see* C.C.P. § 525. And labels do not matter for the constitutional analysis; any order prohibiting speech is analyzed the same way, no matter what it is called. *See Alexander v. United States*, 509 U.S. 544, 550 (1993); *Dailey v. Superior Court of City & Cty. of San Francisco*, 112 Cal. 94, 98-100 (1896) (order issued in criminal case); *Hurvitz v. Hoefflin*, 84 Cal. App. 4th 1232, 1241 (2000) (gag order in civil case).

AMERICAN CIVIL LIBERTIES UNION FOUNDATION OF NORTHERN CALIFORNIA SAN FRANCISCO OFFICE: 39 DRUMM STREET, SAN FRANCISCO, CA 94111 | TEL/415.621.2493 FRESNO OFFICE: P.O. BOX 188, FRESNO, CA 93707 | TEL/559.554.2994 FAX/415.255.1478 | TTY/415.863.7832 | WWW.ACLUNC.ORG The judgment in this case states that "Plaintiffs' Request for Injunctive Relief is Granted." It then states that "Yelp.com is ordered to remove all reviews" listed in the attachment to it. This is a prototypical injunction.¹

The U.S. Supreme Court has squarely held that due process prohibits a court from issuing an injunction against a non-party. *Zenith Radio Corp. v. [HRI]*, 395 U.S. 100, 109-12 (1969). That case involved a patent dispute in which Zenith sought an injunction and damages against HRI, which was a "wholly owned subsidiary" of Hazeltine. *Id.* at 104. Although Hazeltine was not a party, it had full knowledge of the litigation, its in-house lawyers participated in the trial, and the parties stipulated that Hazeltine and HRI would be "considered to be one and the same company." *Id.* at 108-09, 111 n.5.

After Zenith prevailed at trial, it proposed that the court issue an injunction prohibiting both HRI and Hazeltine from continuing to misuse the patents at issue. *Id.* at 105. Hazeltine then formally appeared in the case and argued that it could not be bound by the injunction because it was not a party. *Id.* The district court nevertheless entered the injunction against it. *Id.*

The Supreme Court held that this was wrong because due process prohibits a court from entering an injunctive order against a non-party. Id. at 110. The Court recognized the longstanding rule that injunctions "bind not only the parties defendant in a suit, but also those persons in active concert or participation with them who receive actual notice"; but it held that this principle does not allow a court to issue an injunction against a non-party that did not participate in the lawsuit and was neither found to be an agent of either party nor given an opportunity to contest such a finding. See id. at 112. ("It was error to enter the injunction against Hazeltine, without having made [the determination that Hazeltine was in concert or participation with HRI] in a proceeding to which Hazeltine was a party."); see Lake Shore Asset Mgmt. Ltd. v. Commodity Futures Trading Comm'n., 511 F.3d 762, 767 (7th Cir. 2007) (applying same rule and holding that injunction must be amended to delete non-party); see also Alemite Mfg. Corp. v. Staff, 42 F.2d 832, 832-33 (2d Cir. 1930) (L. Hand, J.) (same rule under common law). Absent these procedural protections, the non-party cannot be bound by the judgment in any way. Zenith Radio, 395 U.S. at 110; see Richards v. Jefferson Ctv., Ala., 517 U.S. 793, 801 (1996).

¹ A copy of the judgment is attached to this letter. The quoted language appears on page 1 line 27 and page 2 line 7.

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The present case presents a clearer due-process violation than did Zenith Radio. Yelp does not control defendant Bird and did not participate in any way in the trial. In fact, there was no trial on the merits because the original speaker failed to defend the statements attributed to her, for reasons unknown (perhaps she has no money for an attorney or misunderstands the law of defamation; perhaps she simply doesn't care enough about having her comments remain on Yelp; perhaps she didn't even write some of them). The trial court therefore heard from only one side before issuing the injunction. And, as noted above, cases involving free-speech rights require especially sensitive procedures. As the Supreme Court warned when it held that the First Amendment prohibits ex parte orders limiting speech unless "it is impossible to serve or to notify the opposing parties and to give them an opportunity to participate," "the failure to invite participation of the party seeking to exercise First Amendment rights reduces the possibility of a narrowly drawn order." Carroll, 393 U.S. at 180, 184. This makes it much more likely that the court will issue an unconstitutional order. See id. at 183 ("An order issued in the area of First Amendment rights must be couched in the narrowest of terms that will accomplish the pin-pointed objective permitted by constitutional mandate and the essential needs of the public order.").

The one-sided prove-up hearing in this case resulted in the type of overbroad order that the *Carroll* Court feared. As the Court of Appeal recognized, the original order violated the First Amendment because it ordered Yelp to remove future, unspecified comments. Slip Op. at 25. But even as narrowed by the appellate court, the order still requires Yelp to remove speech that, looking only at the order itself, appears to be fully protected by the First Amendment. For example, the first updated review attached to the court's removal order states that "dawn hassell has filed a lawsuit against me over this review I posted on yelp," that Yelp is "defending my right to post a review," and that the Better Business Bureau is a "good resource."² The existence of the case at bar shows that the first statement is true; the second and third cannot defame plaintiff Hassell, regardless of whether they are true, because they don't even refer to her. All three are therefore protected speech.

² The superior court's judgment specifically requires "Yelp.com ... to remove all reviews posted by AVA BIRD under user names "Birdzeye B." and "J.D." attached [to the judgment] as Exhibit A." The Court of Appeal left this part of the judgement intact, specifically noting that it required Yelp to remove "the three specific statements" listed in the attachment. Slip Op. at 25. There are three such statements only if the update – with its clearly protected statements quoted above – is included. A copy of the judgment is attached to this letter.

See Blatty v. New York Times Co., 42 Cal. 3d 1033, 1042 (1986) (First Amendment requires defamation plaintiff to prove that statements are false and refer to her). Nevertheless, under the Court of Appeal's decision, Yelp must remove this material from its website, with no opportunity to argue that these statements – or others listed in the order – are true or otherwise protected by the Constitution.

That the speech in question may have originated with defendant Bird does not ameliorate this constitutional violation: just as Hazeltine could not be ordered to stop misusing specific patents based on a judgment against its subsidiary regarding those same patents, Yelp cannot be ordered to remove speech from its website based on a judgment against the supposed original author. Indeed, because Yelp has an independent First Amendment right to present those words on its website, due process demands that it have at least as much process as a company in a patent dispute. *See Carroll*, 393 U.S. at 183-84.

4. Section 230 of the Communications Decency Act³ does not change this constitutional rule.

Section 230 may make it difficult or impossible for plaintiffs in some cases to proceed directly against a website that publishes speech. See Pet. for Rev. at 29-33. But even if the effect of this statute could justify dispensing with the requirements of due process and the First Amendment (it cannot), the Court of Appeal's rule will apply in circumstances that do not implicate § 230. For example, if a newspaper decided to use a quote in a story, that decision likely would not be covered by § 230, even as to the newspaper's online edition, because the decision to publish the quote as part of a story or editorial would be the paper's, not the original speaker's. See Fair Hous. Council of San Fernando Valley v. Roommates.Com, LLC, 521 F.3d 1157, 1170–71 (9th Cir. 2008) (en banc). However, under the Court of Appeal's rule, the newspaper could nevertheless be ordered to remove the quote from its story based on a suit filed against the speaker to which the newspaper was not a party, without affording the newspaper any notice or opportunity to argue that the statements are accurate or otherwise constitutionally protected. This is anathema both to free speech and to due process.

5. Conclusion

"The loss of First Amendment freedoms, for even minimal periods of time, unquestionably constitutes irreparable injury." *Elrod v. Burns*, 427 U.S. 347, 373

³ 47 U.S.C. § 230.

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(1976) (citing *New York Times*, 403 U.S. 713) (plurality opn.). If the Court of Appeal's opinion stands, it will lead to similar injunctions that infringe on publishers' free-speech rights without giving them any notice or opportunity to be heard. This Court should grant review to prevent this result.

Sincerely,

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Michael T. Risher Senior Staff Attorney Cal. Bar. #191627

Attorney for Amici

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down hassell has filed a lawsuit egalnet me over this review | posted on yelpi she has tried to threaten, buily, Infinidate, herrass me imp removing the review! she actually hirod another bad alterney to fight this. Joif well, fooks like my original moleculate burned out to be much than overt evold this business like the plaque folks? and the staff of YELP has a lapped up and is defending my right to post a roview. once egain, thanks YELPI and i have reported has actions to the Setter Business Bureau as well, so they have a record of how she handles business. enother good resource is the BBB, by the way.

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well, here is another business that doesn't even deserve one star. basically, down hassell made a bad situation much worse for me. she told me she could help with my personal injury case from failing through a foor, then reneged on the case because hat more had a broken leg, or something like that, and theil the insurance company was too much for her to handle. and all of this after I met with her office (not her personally, she was nowhere to be found) signed paperwork to hire' them and pained confidence in her office (due mostly to yetp reviews) ad, in all falmess, i have to ahave my experience so others can be forewarned. she will probably not do anything for you, except make your alluation worse. In fact, after signing all the paperwork with her office, like a broken record, they repealed 'DO NOT TALK TO THE INSURANCE COMPANY over and over and over, and over and over, so i honored that and did not speak to them, but, the hassell law group didni start speak with the insurance company either, neglecting their said responsibilities and not living up to their own legal contract - nor did they bother to communicate with me, the client or the insurance company AT ALL. then, she dropped the case because of her mother and seeming lack of work ohic. (a good stoney wont do this, in fact, they aren's upposed to) to save your case, STEER CLEAR OF THIS LAW FIRM and research around to and a law firm with a proven track record of success, a good work einic, competence and loop term oftent satisfaction. there are nearly in the bayanes and with some different smart interviewing. you can find a competent attentiaty, but this word be one of them.

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The statements in this review are simply not TRUE. My law... More +

12 reviews in English



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San Francisco, CA

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There are some things in life you don't really learn about until they happen to you. Getting injured due to someone site's negligence, making it necessary for you to deal with insurance companies, datas, liability etc. is one of those things. Shappened to me on a fall I look on some bad sidewalk. What I know now is this: when something like this happens peuse before you make your first call; don't call your more, don't call your significant other, don't even call the ambulance call an attorney. And my suggestion is that the Hassell Law Group should be that call. Heck If this even happens to me again i'm calling hat before I even get of the ground. Really. The thing you come to understand is that very small things, some of which make perfect common sense, can come back to bits you in the ass. Insurance companies might seem like they are pleasent and your friend, but in the end their only goal is to

www.yelp.com/biz/the-hassell-law-group-san-francisco-2/Invid:AqsxW-flwrUzbV/8gPLv6A





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PROOF OF SERVICE

I, Veronica Ramirez, declare under penalty of perjury under the laws of the State of California that the following is true and correct:

I am employed in the City of San Francisco, County of San Francisco, California, in the office of a member of the bar of this court, at whose direction the service was made. I am over the age of eighteen (18) years, and not a party to or interested in this action. I am an employee of the American Civil Liberties Union Foundation of Northern California, and my business address is 39 Drumm Street, San Francisco California 94111.

On August 15, 2016, I served the following document(s):

Amicus letter supporting request for review in Hassell v. Bird, No. No. S235968

In the Following Case: *Dawn Hassell, et al v. Bird*

on the parties stated below by the following means of service:

Monique Olivier Duckworth, Peters, Lebowitz, Olivier LLP 100 Bush Street, Suite 1800 San Francisco, CA 94104	Thomas Rohlfs Burke Rochelle Lvn Wilcox Davis. Wright. Tremaine LLP 505 Montgomerv Street. Suite 800 San Francisco, CA 94111
Nitok Sing, Esq. Harmeet Kaur Dhillon Dhillon Law Group, Inc. 177 Post Street, Suite 700 San Francisco, CA	Clerk of the Court San Francisco Superior Court 400 McAllister Street San Francisco, CA 94102
Aaron Sanuel Schur Yelp. Inc. 140 New Montgomery Street, 9 th Floor San Francisco, CA 94105	Clerk of the Court First Appellate District Court, Div. Four 350 McAllister Street San Francisco, CA 94102

 \underline{X} By U.S. Mail enclosing a true copy in a sealed envelope in a designated area for outgoing mail, addressed with the aforementioned addressees. I am readily familiar with the business practices of the ACLU Foundation of Northern California for collection and processing of correspondence for mailing with the United States Postal Service and correspondence so collected and processed is deposited with the United States Postal Service on the same date in the ordinary course of business.

I declare under penalty of perjury that the foregoing is true and correct. Executed on August 15, 2016 at San Francisco, California.

Veronica Ramirez, Declarant