

PATTISHALL

insights

JANUARY 2016

Join us on LinkedIn <https://www.linkedin.com/company/pattishall-mcauliffe>

“ INCREASED USE OF BIOMETRICS ALSO COMES WITH NEW PRIVACY ISSUES, AND THE LEGAL FRAMEWORK TO ADDRESS THE COLLECTION, STORAGE, AND USE OF BIOMETRICS IS IN THE NASCENT STAGES. ”

1. *See Guide to Protecting the Confidentiality of Personally Identifiable Information (PII)*, National Institute of Standards and Technology (2010), available at <http://csrc.nist.gov/publications/nistpubs/800-122/sp800-122.pdf>.
2. *See Internet of Things, Privacy & Security in a Connected World*, FTC Staff Report (2015), available at <https://www.ftc.gov/system/files/documents/reports/federal-trade-commission-staff-report-november-2013-workshop-entitled-internet-things-privacy/150127iotrpt.pdf>.
3. 740 ILCS 14/1 *et seq.* The only other state to have since enacted a law specifically addressing the collection and use of biometric information is Texas, which in 2009 enacted the law Capture or Use of Biometric Identifier, Tex. Bus. & Com. Code Ann. § 503.001.
4. 740 ILCS 14/5(e).

BIO HAZARD: Biometric Privacy Class Actions Over Digital Images and Fingerprints

By Jason Koransky

It is a common scene in futuristic action movies — a locked door stands in the way of escape or protects a sensitive project or valuable item. Entry seems impossible, as a traditional key or card cannot open the door. Rather, only a recognized fingerprint or retina scan will unlock the door. Alas, the hero (or perhaps the antagonist) creatively finds a way to use another person's hand or eyes to unlock the door, and disaster is averted (or created).

Use of biometric information and identifiers, however, is not confined to the movies. Rather, biometrics are used in everyday financial transactions and security screenings, and have become commonplace with fingerprint and voice recognition technology in smart phones and other devices. And as our life becomes increasingly digital, and data security and identity theft issues abound, use of biometrics will assuredly increase. Unlike forms of personally identifiable information that can be altered or attached to another person (such as a name, address, or identification number), biometrics identify characteristics that attach to and follow an individual.

Increased use of biometrics also comes with new privacy issues, and the legal framework to address the collection, storage, and use of biometrics is in the nascent stages. No federal law exists specifically relating to biometrics, although both the National Institute of Standards and Technology¹ and the Federal Trade Commission² have recognized that biometrics should be subject to privacy measures and guidelines.

In 2008, Illinois became the first state to enact a law specifically addressing the collection, storage, and use of biometrics. The Illinois Biometric Information Privacy Act (“BIPA”) addressed the increased use of biometrics such as a retina or iris scan, fingerprint, voice print, or hand or face geometry scans in commerce and security measures.³ Illinois had been the site of pilot programs for biometric technology, and the new law addressed the public's alleged wariness relating to this new technology: “Despite limited State law regulating the collection, use, safeguarding, and storage of biometrics, many members of the public are deterred from partaking in biometric identifier-facilitated transactions.”⁴





RECENTLY, ATTORNEYS HAVE USED THE BIPA TO BRING CLASS ACTION SUITS AGAINST COMPANIES THAT USE FACIAL AND FINGERPRINT RECOGNITION TECHNOLOGY. ”

In an attempt to mitigate consumer reticence relating to biometrics, the BIPA established significant obligations relating to the collection, use, and retention of biometrics by private entities, including:

- Establishing a publicly available written retention and destruction policy for biometrics;
- Requiring informed and written consent prior to collecting, capturing, purchasing, or receiving a person's biometrics;
- Prohibiting the sale, lease, trade, or profiting from biometrics;
- Prohibiting the disclosure or dissemination of biometrics without a person's consent, unless the disclosure or dissemination is required by law or a subpoena; and
- The need to establish reasonable security and privacy safeguards to protect biometrics.

In addition, the BIPA established that a party could be liable for the higher of actual damages or \$1,000 in liquidated damages for each violation of the act (or \$5,000 in liquidated damages for an intentional or reckless violation), and it allowed for the recovery of attorney's fees and costs.

Recently, attorneys have used the BIPA to bring class action suits against companies that use facial recognition technology, with the defendants not necessarily being those that Illinois lawmakers had in mind when they drafted and implemented the BIPA.

For example, in *Norberg v. Shutterfly, Inc.*, 1:15-cv-05351 (N.D. Ill. June 17, 2015), the plaintiff alleged that the on-line photo printing, sharing, and storage company Shutterfly violated the BIPA by using facial recognition technology, without his consent, to identify him in photos uploaded and stored through the shutterfly.com and thislife.com websites.⁵ Shutterfly moved to dismiss, arguing that biometric identifiers as defined in the BIPA do not include photographs.⁶ In a case of first impression, the court recently denied this motion to dismiss.⁷ It held that the pleadings did not allege that Shutterfly's storage and use of the photos themselves violated the BIPA, but rather alleged that the use of face recognition technology created biometric identifiers, which Shutterfly then stored and used without the plaintiff's consent. Such actions, the court found, could violate the BIPA.

A similar motion to dismiss is pending in an analogous BIPA case brought in the Northern District of Illinois, *Gullen v. Facebook, Inc.*, 1:15-cv-07681 (N.D. Ill. Aug. 31, 2015). The complaint in *Gullen* alleged that Facebook uses facial recognition technology to scan photographs that users

upload, and that Facebook can match the biometric information collected from this technology to an individual once someone provides this person's name to Facebook through its photo tagging feature.⁸ It further alleged that Facebook took these actions without complying with the disclosure, consent, or other provisions of the BIPA. With the arguments in the motion to dismiss in the Facebook case similar to those in the Shutterfly matter, this case against Facebook appears to have a decent chance of moving forward.

Following in the footsteps of the *Norberg* and *Gullen* cases, two recent BIPA cases have been filed in Cook County Circuit Court against tanning salons' scanning and use of fingerprints of its members.⁹ These cases — which were brought by the same law firm — allege that the L.A. Tan and Palm Beach Tan salons collect fingerprints when someone signs up for a membership, which allows them to be identified as a member and check in at any salon. The complaints allege, however, that the salons violate the BIPA by not informing customers about this collection and use fingerprints, not obtaining a written release, and by not publishing a biometric data retention policy.

BIPA cases are not confined to Illinois, either. Apparently to avoid similar personal jurisdiction challenges as those raised by Shutterfly and Facebook in their motions to dismiss (which the court in the Shutterfly case did not accept), plaintiffs recently filed a class action in the Southern District of New York against New York-based Take-Two Interactive Software, Inc., alleging that the publisher and developer of video games such as NBA 2K16 violated the BIPA through the collection and storage of facial geometry features of the people who play the games.¹⁰ No responsive pleadings have been filed in this case.

The recent spate of BIPA lawsuits demonstrates that companies should be vigilant in establishing, if they have not done so already, written policies that address the collection, use, dissemination, and destruction of biometrics. Importantly, companies should seek written consent from people prior to collecting or using their biometrics, and they should ensure that they provide a biometric policy to these people. Simply put, this policy should track the BIPA. ■

5. *Norberg v. Shutterfly, Inc.*, 1:15-cv-05351, First Am. Compl., Dkt. No. 6 (N.D. Ill. June 23, 2015).

6. *Norberg v. Shutterfly, Inc.*, 1:15-cv-05351, Mot. D., Dkt. No. 26 (N.D. Ill. July 31, 2015). Shutterfly also challenged personal jurisdiction in the motion.

7. *Norberg v. Shutterfly, Inc.*, 1:15-cv-05351, Order, Dkt. No. 41 (N.D. Ill. Dec. 29, 2015).

8. *Gullen v. Facebook, Inc.*, 1:15-cv-07681, Compl., Dkt. No. 1 (N.D. Ill. Aug. 31, 2015).

9. *See Rottner v. Palm Beach Tan, Inc.*, No. 2015-CH-16695 (Ill. Cir. Ct. Nov. 13, 2015); *Sekura v. L.A. Tan Enters., Inc.*, No. 2015-CH-16694 (Ill. Cir. Ct. Nov. 13, 2014).

10. *See Vigil v. Take-Two Interactive Software, Inc.*, No. 1:15-cv-08211, First Am. Compl., Dkt. No. 12 (S.D.N.Y. Dec. 4, 2015).

PARTNERSHIP

■ Seth I. Appel



The firm is pleased to announce that Seth has become a partner as of January 1, 2016.

PRESENTATIONS

■ Ashly Boesche



Ashly spoke on “Beyond Hacking: Computer Fraud and Abuse Act” at the Chicago Bar Association on November 4, 2015.

■ Jessica A. Ekhoﬀ



Jessica spoke on “All’s Clear - Or Is It? Titles, Character Names, Set Design, and Everything Else to Look For When Preparing a Film Clearance Opinion” at the Chicago Bar Association on October 20, 2015.

■ Jason M. Koransky



Jason lectured on “Spotify and Beyond: Confronting Licensing for On-Demand Streaming Services (and a Summary of the Pre-1972 Sound Recording Litigation)” for the YLS Creative Arts Committee, at the Chicago Bar Association, on December 15, 2015.

■ Robert W. Sacoff



On April 8, 2016, Bob will be a panel member discussing “Trademark Ethics: Conducting Ethical and Admissible Pretext Investigations” at the ABA’s 31st Annual Intellectual Property Conference in Bethesda, Maryland.

PUBLICATIONS

■ Jonathan S. Jennings



Jonathan wrote an article on a recent gray market Pharma trademark case as part of his role as the U.S. correspondent for *Law Lore & Practice*, which is the publication of The Pharmaceutical Trade Marks Group (PTMG).

■ Jason M. Koransky

Jason wrote an article on “Digital Dilemmas: The Music Industry Confronts Licensing for On-Demand Streaming Services,” which was published in the January/February 2016 issue of *Landslide Magazine*.

■ Uli Widmaier



Uli’s case note, “Google’s unauthorized copying of millions of books is fair use under U.S. copyright law, U.S. federal appeals court holds,” was published in the November edition of *AIPPI e-News*.

World Trademark Review (WTR) 1000

“The only firm in town with such sharpness of focus on trademarks, **Pattishall McAuliffe** is unique. In fact, it is a premier firm not only in Chicago or the United States, but globally.” **Pattishall McAuliffe** has been nationally ranked Silver and Illinois-ranked Gold in the 2016 WTR 1000 rankings of The World’s Leading Trademark Professionals. **Robert W. Sacoff** was nationally ranked Silver for “enforcement and litigation.” **David C. Hilliard** was honored as one of two Intellectual Property Luminaries in Illinois. Additional Pattishall lawyers recognized by the WTR include **Brett A. August**, **Phillip Barendolts**, **Thad Chaloeontiarana**, **Bradley L. Cohn**, **Jonathan S. Jennings**, **Janet A. Marvel**, and **Joseph N. Welch II**.

firm NOTEWORTHY

Illinois Super Lawyers 2016

Brett A. August, Phillip Barengolts, Thad Chaloeintiarana, Bradley L. Cohn, David C. Hilliard, Jonathan S. Jennings, Janet A. Marvel, Robert W. Sacoff, Belinda J. Scrimenti and Joseph N. Welch II have been designated Illinois Super Lawyers for 2016, and Ashly Boesche has been selected as an Illinois Rising Star. David C. Hilliard has been recognized as one of the top 100 Illinois Super Lawyers.

The University of Chicago Law School

The University of Chicago Law School Record profiled David C. Hilliard in an article entitled “Big-Picture Litigator Takes Pride in Being Civic and Professional Leader.”

Lawyer Monthly

Brett A. August has been selected as “Brand Attorney of the Year for the USA” for 2015.

U.S. News & World Report – Best Law Firms

Pattishall McAuliffe has been designated a National Tier 1 Trademark Law Firm for 2016.

Martindale-Hubbell AV® Preeminent Rating

Brett A. August, Ashly I. Boesche, Thad Chaloeintiarana, David C. Hilliard, Jonathan S. Jennings, Robert M. Newbury, Robert W. Sacoff and Joseph N. Welch II have each received an AV® Preeminent rating from the Martindale-Hubbell Bar Directory for 2016.

Pattishall McAuliffe

was included in the November 2015 issue of *Wired* Magazine spotlighting “50 Intellectual Property Firms to Keep in Mind.”

Jonathan S. Jennings

has been appointed by the U.S. District Court for the Northern District of Illinois as a mediator in the Court’s Lanham Act Mediation Program. Jonathan was also a judge at the ABA Negotiation Competition at Northwestern Pritzker School of Law on November 14, 2015.

Pattishall McAuliffe

is a proud sponsor of the Chicago Women in IP (ChiWIP) Post-Holiday Dinner. ChiWIP is a network for women who share a common interest in the advancement of women within the field of intellectual property and IP law.

312.554.8000 | pattishall.com | twitter.com/pattishall

200 South Wacker Dr.
Suite 2900
Chicago IL 60606-5896

PATTISHALL
MC AULIFFE
NEWBURY
&
HILLIARD
GERALDSON LLP