



Neutral Citation Number: [2022] EWHC 1934 (IPEC)

Case No: IP-2021-000028

**IN THE HIGH COURT OF JUSTICE**  
**BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES**  
**INTELLECTUAL PROPERTY LIST (Ch.D)**  
**INTELLECTUAL PROPERTY ENTERPRISE COURT**

Royal Courts of Justice, Rolls Building  
Fetter Lane, London, EC4A 1NL

Date: 22/07/2022

**Before :**

**HIS HONOUR JUDGE HACON**

**Between :**

**SERGIO MENDES COSTA**  
**- and -**  
**(1) DISSOCIADID LTD**  
**(2) CHLOE WILKINSON**

**Claimant**

**Defendants**

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**John Eldridge** (instructed by **Brandsmiths**) for the **Claimant**  
**Thomas Elias** (instructed by **Brett Wilson LLP**) for the **Defendants**

Hearing dates: 21-22 June 2022  
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**Approved Judgment**

*This judgment was handed down remotely at 10.30 on 22 July 2022 by circulation to the parties or their representatives by email and released to BAILII.*

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HIS HONOUR JUDGE HACON

## **Judge Hacon :**

### **Introduction**

1. In about March 2018 the second defendant (“Ms Wilkinson”) set up a YouTube channel under the name “DissociaDID”. Ms Wilkinson is affected by a condition known as dissociative identity disorder (“DID”), formerly called multiple personality disorder. DID is characterised by an individual taking on two or more alternative and distinct personality states, which Ms Wilkinson referred to as “alters”. Ms Wilkinson uploaded videos about DID and herself on to the channel, raising awareness and providing help and support to others with the same condition. The channel became successful and by May 2021 it had over 1 million subscribers.
2. From August 2018 Ms Wilkinson began to monetise the channel. In 2019 gross earnings were over £57,000 and in 2020 nearly £105,000.
3. The first defendant was set up by Ms Wilkinson as a corporate vehicle for running her business and operated as such from August 2020.
4. In March 2020 the claimant (“Mr Costa”) emailed Ms Wilkinson for the first time making comments and suggestions about the DissociaDID channel. Mr Costa is not affected by DID but said that he wished to support Ms Wilkinson’s project. For three months or so Ms Wilkinson kept a cautious distance but then they began to work together to some degree. Ms Wilkinson is based in England, Mr Costa in Portugal, so the co-operation was remote. Nine literary works later emerged. It is common ground that of these, eight are works of joint authorship (“the Joint Works”). The ninth, referred to as “the Disclaimer”, involved some input from Mr Costa but it is Ms Wilkinson’s case that his contribution was too insubstantial to have made him a joint author.
5. There was a falling out in early November 2020. At this point Mr Costa took issue with the channel’s continued use of the Joint Works and the Disclaimer. He submitted takedown notices to YouTube which led to videos being removed from the DissociaDID channel.
6. Subsistence of copyright in the Joint Works and the Disclaimer is not in dispute. Mr Costa claims an injunction to restrain the defendants from infringing the copyrights in the Joint Works and Disclaimer, together with damages or an account and related relief.
7. Ms Wilkinson’s case is that on 16 June 2020 a contract was formed between her and Mr Costa. This was before the Joint Works and the Disclaimer had been created. Ms Wilkinson says that the agreement contained implied terms according to which Mr Costa granted to her, and to her successors and assignees, a perpetual irrevocable licence to use any works created by the two of them on Ms Wilkinson’s YouTube channel. There is also a pleaded defence that Mr Costa effected an equitable assignment of the Joint Works to Ms Wilkinson but that was not pursued.

8. Ms Wilkinson's counterclaim is that Mr Costa's submission of takedown notices to YouTube was in breach of the contract and also constituted unlawful interference in Ms Wilkinson's business.
9. Mr Costa accepts that he granted the defendants a bare licence to use the Joint Works and the Disclaimer but says that the licence was terminated by him in November 2020. He contends that there was no contract and his submission of takedown notices did not in law constitute unlawful interference with Ms Wilkinson's business.
10. John Eldridge appeared for Mr Costa, Thomas Elias for the defendants. They were both instructed shortly before the trial and neither was responsible for the pleadings, about which I make some comments below.

### **The issues**

11. Annexed to an order of Recorder Amanda Michaels dated 4 January 2022 following the CMC there is in the usual way a list of issues. The issues have narrowed and the following remain:
  - (1) Whether the Disclaimer was a work of joint authorship.
  - (2) Whether a binding contract was concluded on 16 June 2020.
  - (3) If there is a contract, whether it contains the implied terms alleged by Ms Wilkinson.
  - (4) When the bare licence granted by Ms Costa to the defendants to use the Disclaimer and Joint Works was terminated.
  - (5) Whether Mr Costa's instructions to YouTube to take down videos were an act of unlawful interference with the defendants' business.
  - (6) Whether such instructions were in breach of the contract.
  - (7) If the answer to either (5) or (6) is yes, the quantum of loss suffered by the defendants.

### **The witnesses**

12. I heard oral evidence from both Mr Costa and Ms Wilkinson. They were clear and careful witnesses and my impression was that both stated the facts as they believed them to be, at least by the time of the trial. It does not follow that I accept all the evidence given for the reasons explained further below. Ms Wilkinson found the stress of giving evidence difficult and was given a break at one point, but she recovered her composure. I commend Mr Eldridge for his conduct of Ms Wilkinson's cross-examination which was courteous and considerate.

### **The background in more detail**

13. Before Mr Costa's first approach to Ms Wilkinson, he had been following the DissociaDID project's social media for some months.

14. On 28 March 2020 Mr Costa sent an email to the project's address. He introduced himself as one of DissociaDID's tier-2 patrons and said that he had binge-watched all of Ms Wilkinson's videos. He made some suggestions of improvements to the channel. A correspondence followed. From DissociaDID's side these were all written by Ms Wilkinson although the name she gave at the end of the emails varied according to her alter at the time.
15. On 20 April 2020 Mr Costa took a step further and offered to assist in the running of Ms Wilkinson's channel:

“So, about my proposal. I know that you have a ton of things to think about right now and I'd hate to add to that. Please don't feel pressured to reply to this email any time soon, although I kindly ask you to reply to it, regardless of your decision. This is something for you to think about when (and if) you're ready to come back.

I'm offering you my help to work behind the scenes improving your content and communication so you can feel safer and focus on what you do best: creating content. You don't have to pay me or credit me. I'm doing this for the sole reason that I believe in your project and would like to help.

...

So nothing too fancy, mostly just a little advice here and there. Although, if we decide to move forward, we should sign an NDA as a safeguard for both of us.”
16. Ms Wilkinson declined to show an interest in Mr Costa's offer. He persisted, although on more than one occasion stating that he may not be the right person to help the channel.
17. A short email from Mr Costa on 16 June 2020 ended with this:

“If you need help with research, planning, writing, keeping tabs on things, etc, my offer still stands.”
18. On the same day Ms Wilkinson replied:

“Thank you, that would be a really big help! Nin and the others are having a hard time trusting anyone right now but we would really love this! Thank you for offering

Nadia”
19. Nin and Nadia are two of Ms Wilkinson's alters. Ms Wilkinson's case is that a contract arose from the above quoted words of the emails of 16 June 2020 with a single express term, namely that any help rendered by Mr Costa concerning the DissociaDID channel would be provided for free. More significantly she says that the contract contained the implied terms I have mentioned.
20. In August 2020 the parties entered into non-disclosure agreements. There were two, one dated 5 August 2020 between Mr Costa and Ms Wilkinson (“the First NDA”) and the second dated 21 August 2020 between Mr Costa and the first defendant company.

21. Between August and November 2020 Mr Costa and Ms Wilkinson collaborated in the creation of the eight Joint Works. There were three scripts used in making videos for the DissociaDID channel, three documents described as “pre-scripted comments” which appear to be discussion documents on content and/or presentation, an Instagram post and a post for a tab on the channel.
22. On 6 August 2020 Mr Costa and Ms Wilkinson co-operated in the creation of the Disclaimer. Mr Costa said that after observing that Ms Wilkinson was receiving criticism online for describing herself as a “professional” and the channel a “mental education service” even though she was not professionally qualified, he looked into the manner in which similar channels described themselves. He took the view that the channel should stop using the term “professional” and should clarify the limitations on the advice given. In WhatsApp exchanges on 6 August 2020 Mr Costa shared his view with Ms Wilkinson. She drafted a disclaimer. Mr Costa’s pleaded case is:

“D2 wrote the first draft of the disclaimer. The Claimant added a sentence and made some other minor edits.”

23. The WhatsApp transcript indicates that Ms Wilkinson showed her first draft to Mr Costa. The following extract begins with that first draft (Nin is Ms Wilkinson, Sérgio is Mr Costa):

“06/08/20, 09:52 - Nin: We would like to stress that while this channel exists for educational purposes only, we are not qualified professionals. DissociaDID partially acts as a hub for collating scientific resources, and we combine those with advice from our personal experiences of living with DID to create content that is accurate and easy to understand.

06/08/20, 09:53 - Nin: And then something like DissociaDID is in no way a replacement for the work and advice of practicing professionals in the mental health sector

06/08/20, 09:54 - Sérgio: while this channel exists for educational purposes only and we make every effort to provide you the most accurate and up-to-date information,

06/08/20, 09:54 - Sérgio: yes, and include a similar disclaimer in every video”

24. Despite Mr Costa’s pleaded claim, there was no documentary evidence of further minor edits by him. This is the work relied on, with Mr Costa’s contribution in italics:

“Disclaimer: This channel exists for educational purposes only *and we make every effort to provide the most accurate and up-to-date information.* However, we are not qualified professionals. DissociaDID acts as a hub for collating scientific resources, and we combine those with advice from our personal experiences of living with DID to create content that is accurate and easy to understand. While we hope it is helpful and provides access to essential resources, DissociaDID is in no way a replacement for the work and advice of practising professionals in the mental health sector.”

25. Mr Costa was granted Manager access to the channel in October 2020. He said he was shocked to find out that Ms Wilkinson was making money from the channel, and presumably how much. He felt she had lied to him and others about it and said that he became concerned that therefore she would use his work for unethical purposes. He added that he was worried about Ms Wilkinson's mental health.
26. The working relationship between Mr Costa and Ms Wilkinson rapidly deteriorated. On 4 November 2020 Ms Wilkinson removed Mr Costa's access to the DissociaDID channel and to some of the Joint Works on Google Docs. On 5 November Mr Costa revoked Ms Wilkinson's access to the remaining Joint Works on Google Docs, although by then she had made copies.
27. On 6 November 2020 Mr Costa informed Ms Wilkinson via WhatsApp that he would be consulting solicitors to protect his rights in the Joint Works. On 23 November 2020 the solicitors then acting for Mr Costa sent a letter of claim to the solicitors then acting for the defendants.

### **Whether the Disclaimer was a work of joint authorship**

#### *The law*

28. The law on the joint ownership of copyright was reviewed by the Court of Appeal in *Kogan v Martin* [2019] EWCA Civ 1645. Floyd LJ gave the judgment of the Court:

“[30] Section 10 (1) of the Copyright, Designs and Patents Act 1988 (“the Act”) governs works of joint authorship. It provides:

‘10(1) In this Part a “work of joint authorship” means a work produced by the collaboration of two or more authors in which the contribution of each author is not distinct from that of the other author or authors.’

[31] The four elements of joint authorship are thus (a) collaboration, (b) authorship, (c) contribution and (d) non-distinctness of contribution. Although joint authorship is ultimately a unitary concept, it is helpful for the purposes of analysis to consider each element in turn.”

29. Having explained each of the four elements, the Court summarised the law:

“[53] Drawing all of this together:

1. A work of joint authorship is a work produced by the collaboration of all the people who created it.
2. There will be a collaboration where those people undertake jointly to create the work with a common design as to its general outline, and where they share the labour of working it out. The first task for the court in such a case is to determine the nature of the co-operation between the putative joint authors which resulted in the creation of the work.
3. Derivative works do not qualify. Works where one of the putative authors only provides editorial corrections or critique, but where there is

no wider collaboration, do not qualify. *Ad hoc* suggestions of phrases or ideas where there is no wider collaboration do not qualify.

4. In determining whether there is a collaboration to create a literary or artistic work it is never enough to ask ‘who did the writing?’. Authors can collaborate to create a work in many different ways. For example there may be joint authorship if one person creates the plot and the other writes the words, or if either or both of these types of labour is shared.
  5. Joint authors must be authors, in the sense that they must have contributed a significant amount of the skill which went into the creation of the work. Again, it is not correct to focus exclusively on who fixed the work in writing. The statutory concept of an author includes all those who created, selected or gathered together the detailed concepts or emotions which the words have fixed in writing.
  6. Contributions which are not ‘authorial’ in the above sense do not count. What counts as an authorial contribution is acutely sensitive to the nature of the copyright work in question.
  7. The question of what is enough of a contribution is to be judged by the *Infopaq* test, i.e. whether the putative joint author has contributed elements which expressed that person’s own intellectual creation. The essence of that term is that the person in question must have exercised free and expressive choices. The more restrictive the choices the less likely it will be that they satisfy the test.
  8. The contribution of a putative joint author must not be distinct.
  9. There is no further requirement that the authors must have subjectively intended to create a work of joint authorship.
  10. The fact that one of the authors has the final say on what goes into the work may have some relevance to whether there is a collaboration, but is not conclusive. The author with the final say must be given credit in deciding on the relative proportions of ownership, for the extra work involved in making those choices.
  11. It follows that the respective shares of joint authors are not required to be equal, but can reflect, *pro rata*, the relative amounts of their contributions.”
30. Thus, the first task of the court in deciding an issue of joint authorship is to determine the nature of the co-operation between the putative joint authors. Was it a collaboration within the meaning of s.10(1) of the Copyright, Designs and Patents Act 1988 (“the 1988 Act”)?
31. The Court of Appeal explained that concept:
- “[33] A collaborative work is different from a derivative work. If an author takes as his or her starting point the work of another and decides to adapt, embellish or improve on it, the result may attract copyright, but it will not be a

work of joint authorship. The second author may be entitled to copyright in the resultant work, but it will be a work of sole authorship, the originality of which could only lie in the contribution made by the second author. More pertinently, there will be cases where a person makes a contribution prior to the completion of the work being undertaken by an author, but the work will remain a work of sole authorship because the contribution was not made in the course of a collaboration pursuant to a common design. The work must be created by collaboration. Friends of the author who make suggestions otherwise than in the course of a collaboration will not become joint authors. A striking illustration is the contribution made by Ezra Pound to *The Waste Land*. When T.S. Eliot showed him the original draft, Pound proposed very extensive deletions and revisions, with considerable consequences for the poem as published (indeed he became its dedicatee). But neither poet ever considered it a work of joint authorship, and it has not been regarded as such in the century since it was published, even though Pound's contribution is now widely known. This is because he was acting as a friend and critic and not a collaborator in a common design. By contrast, a collaborator may become a joint author after an apparently lesser contribution than Pound's. Take, for example, *Beckingham v Hodgens*, where a successful claim for joint authorship was made by a session musician who contributed a distinctive four-bar riff to a pop song that had been substantially conceived before he was hired. These examples show the importance of identifying the true nature of the interaction between the parties in relation to the work, an assessment that provides the essential context for consideration of questions of authorship and contribution."

32. The WhatsApp transcript suggests that it was Ms Wilkinson who first proposed using a disclaimer. It may be that Mr Costa had also thought of it, but when Ms Wilkinson created the first draft I think that she was acting solely on her own idea. Mr Costa's emails of 20 April and 16 June 2020 indicate that the role he was offering was one of friend and critic, not a collaborator within the meaning of s.10(1) of the 1988 Act. I was not shown anything which suggested that that either Mr Costa or Ms Wilkinson reasonably understood anything else by 6 August 2020. The limited extent of his contribution to the Disclaimer is consistent with this, as is his understanding that Ms Wilkinson was to be the final arbiter of any work to be presented to the public.
33. In my view there was no collaboration. Ms Wilkinson was the sole author of the Disclaimer. Mr Costa did no more than make a suggestion to Ms Wilkinson to improve her work, the suggestion consisting of the addition of words which are commonplace in a disclaimer.

### **Whether Mr Costa and Ms Wilkinson entered into a contract**

34. The alleged contract has the slender basis of the two short emails of 16 June 2020. I begin with offer and acceptance. It was argued on behalf of Ms Wilkinson that before then Ms Costa had made repeated offers, often expressly stated to be such, in a series of emails. My attention was also drawn to Ms Wilkinson's email of 18 June 2020 to Mr Costa:

"Hi Sérgio,



I know you've offered to help us manage communications/crisis situations a few times now. What type of support would you be able to offer us going forward if we accepted your offer? We're trying to consider what we need to do and what help we can get to keep things running smoothly on our return.

Would you be able to tell us what you're willing to do, and any relevant experience you might have, so that we can refer to all the information in one place?"

35. This email suggests that Ms Wilkinson at this stage wanted more information about Mr Costa's offer and had not yet decided to accept it. It is possible that her alleged acceptance two days earlier (see her email of 16 June 2020 quoted above) may be better read as no more than a thank you for Mr Costa's offer, not an acceptance of it.
36. There was no pleaded or subsequent argument of a lack of acceptance of Mr Costa's offer by Ms Wilkinson, or a lack of intent to create legal relations. Mr Costa's pleaded case was that there was no contract because there was no consideration from Ms Wilkinson in return for Mr Costa's gratuitous offer of help. I will consider just that case.
37. The consideration pleaded by the defendants was twofold:
  - (1) "The Second Defendant's consideration was making a material change of position, specifically to agree to no longer work alone on the DissociaDID project but rather to work alongside the Claimant in relation to any advice or feedback rendered by the Claimant and to incur additional obligations in so working with the Claimant. The prospect of a detriment, namely, the additional obligations required to work alongside the Claimant, was sufficient consideration."
  - (2) "Alternatively, the Second Defendant's consideration was to provide an indirect benefit to the Claimant, specially to allow him the prospect to further develop his CV and obtain experience and publicity through his involvement in the DissociaDID project."
38. The first alleged consideration amounts to a promise by Ms Wilkinson to work with Mr Costa in the future in a manner detrimental to her. The pleaded detriment of "additional obligations" in working with Mr Costa was not explained. Mr Costa made a formal request for further information regarding the additional obligations, but no further information was provided in the response.
39. Mr Eldridge drew my attention to this passage in *Chitty on Contracts*, 34<sup>th</sup> ed.

**“6-008 Performances and promises as consideration** The consideration for a promise may consist either of a performance rendered by the promisee or of a promise to render a performance. The first possibility is illustrated by cases of unilateral contracts where performance by the promisee of the stipulated act or forbearance (e.g. walking from London to York) constitutes the consideration for the promise (usually) to pay a sum of money to the promisee. The second possibility is illustrated by cases in which each party makes a promise to the other, but neither party has yet rendered any performance. The rule that, in such

a case, the parties' mutual promises can amount to consideration for each other has long been settled.”

40. Although not spelt out in so many words in *Chitty*, I accept Mr Eldridge's submission that consideration must exist at the time of the alleged contract. Of course, when given in the form of a promise, the promise will usually be to perform, or forbear to perform, acts in the future but the promise must be live at the time of the contract.
41. Mr Elias relied on *Pitts v Jones* [2007] EWCA Civ 1301. The claimants were employees of and minority shareholders in a company of which the defendant was the managing director and majority shareholder. The defendant wished to sell his shares and told the claimants that the purchaser was willing to buy their shares at the same price. On hearing of this, the claimants waived their rights to pre-empt the purchase of the defendant's shares. Later, the defendant told the claimants that the purchaser was no longer willing to buy their shares immediately but was willing to enter into option agreements under which the claimants could require the purchaser to buy their shares in six months' time. The defendant also gave the claimants an oral undertaking that if the purchaser did not buy their shares, he would. The claimants signed the option agreements and (at the same time, it seems) gave their consent to the abridgment of the notice period for holding an extraordinary general meeting of the company, which was necessary for the sale for the defendant's shares to go through that day. The sale of the defendant's shares was completed. The purchaser subsequently refused to buy the defendant's shares despite the option agreements; the defendant denied giving any binding undertaking to buy the shares. The claimants brought a claim against the defendant for breach of contract.
42. The judge dismissed the claim first, because of a lack of consideration and secondly because the contract would have been unenforceable under the Statute of Frauds 1677 for not being in writing signed by or on behalf of the defendant. As to consideration, the judge found on the evidence that when the claimants signed the documents which allowed the sale of the defendant's shares they had given no conscious thought either to the abridgment of time for holding an EGM or (by implication) to their right to withdraw the pre-emption waivers given earlier. Consideration could not be given sub-consciously.
43. The claimants' appeal was dismissed on the ground that the judge had been correct in relation to the Statute of Frauds 1677. However, the Court of Appeal disagreed with the judge with regard to his ruling on consideration. Smith LJ, with whom Ward and Wilson LJJ agreed, said:

“[18] ... It seems to me that the recorder was wrong to place such emphasis on the claimants' conscious thought processes. I accept that, as a rule, a party to a contract will be consciously aware of what consideration he is giving for the promise he is accepting. But here, it seems to me, the course of events was such that the recorder ought to have held that the claimants gave consideration even though they did not consciously work out exactly what it was that they had given. The position was that the options to purchase the claimants' shares had been arranged by the defendant as an inducement to encourage the claimants not to exercise their pre-emption rights. They signed their waivers in the belief that they would be paid cash for their shares. When [the defendant's solicitor] spelled out the true nature of the deal they were being offered, the claimants

were unhappy about it. At that stage, they did not articulate their stance that they would not co-operate over the signing of documents that day unless their position was improved. But that appears to have been their position, as understood by [the defendant's solicitor], who immediately went to fetch the defendant. No one knows what the claimants would have done if the defendant had not then come in and given his undertaking. They never had either the need or the time to consider what they would do in that situation. They might have said that they were not prepared to sign anything until they had consulted a solicitor. On the other hand, they might have decided that there was nothing they could do about their position and they would sign all the documents even though they were unhappy. One or other of them might have taken a different stance from the others. But they never had to decide what to do because the defendant came in and offered the undertaking. The claimants were united in accepting it and, after discussion about whether or not it should be put in writing, they were all content with the arrangements and immediately signed the option agreements and consent to the abridgment of time for convening the EGM. It seems to me that there was so clear a chronological link between the defendant's offer of the undertaking and the claimants' willingness to sign the documents that the natural inference to draw was that the two were directly connected. I would hold that the claimants' co-operation was given in return for the defendant's undertaking. I would also hold that that was good consideration notwithstanding the fact that the claimants did not consciously realise that by signing the documents they were subjecting themselves to a detriment and were giving consideration for the defendant's undertaking. For those reasons I would hold that the defendant's undertaking was supported by consideration and was therefore a contractual agreement."

44. Thus, although the claimants' consideration for the defendant's undertaking – their co-operation – was not given consciously, it was given at the time of the agreement.
45. *National Merchant Buying Society Limited v Bellamy* [2012] EWHC 2563 (Ch) concerned a written guarantee by two individuals to an industrial and provident society to pay to the society sums which could in the future fall due from a company which traded in the supply of building products, a member of the society. One defence raised was that there had been no consideration. The consideration relied on was that the society would not expel the company. Mr N. Strauss QC, sitting as a deputy judge, held that the consideration was good. He referred to *Pitts v Jones*, noting that the party giving consideration may not be aware of it. He added (at [26]) that it is not necessary for the recipient of the consideration to be aware of it either and (at [27]) that extrinsic evidence can be given of additional consideration not stated in the written contract, citing *Frith v Frith* [1986] AC 254, 258-9; *Pao On v Lau Yiu Lang* [1980] AC 614, 631-23 and *Classic Maritime Inc. v Lion Diversified Holdings Berhad* [2010] 1 Lloyd's Reports 59 at [27]-[28].
46. Again, the consideration, of which neither provider nor recipient was apparently aware, was given at the time of the contract. By contrast, in the present case Ms Wilkinson did not commit herself to anything, whether consciously or subconsciously, on 16 June 2020.
47. In argument during the trial it was said that there was consideration relating to the exchange of NDAs or alternatively in the pattern of Ms Wilkinson's working practices.

48. The signing of a mutual NDA was first floated by Mr Costa in an email of 20 April 2020. Had Ms Wilkinson committed herself to signing an NDA on 16 June 2020 without consciously realising that this was what she was doing there may have been something in this argument, provided also that it was shown that signing an NDA was to her detriment or Mr Costa's advantage. However she did not commit herself, knowingly or otherwise. The exchange of NDAs came sometime later in August 2020.
49. In cross-examination Ms Wilkinson said that she came to find it difficult to work with Mr Costa, that working with him became frightening, like walking on eggshells. But this was later; there was no evidence that in June 2020 she thought she would have difficulty in working with Mr Costa or indeed that there was any reason for her to hold such a view at that time.
50. Where the consideration relied on is that a party acted to their detriment, there is a difference between the party consciously or otherwise (a) committing to acts which were foreseeably going to be to their detriment and (b) committing to acts which were not foreseeably disadvantageous. Obviously the latter applies where, depending on future events, the acts could in theory have turned out to be to that party's advantage, or detriment, or neither. It seems to me that while circumstance (a) might give rise to good consideration, circumstance (b) does not. In fact in the present case Ms Wilkinson did not even commit herself to anything.
51. The second pleaded head of consideration was that Ms Wilkinson had provided an indirect benefit to Mr Costa by allowing him to work with her and thereby to gain experience and publicity. I have no doubt that Mr Costa was very keen to work with Ms Wilkinson. So much is apparent from his emails leading up to 16 June 2020.
52. The pleaded Defence is unequivocal as to the principal reason for Mr Costa's interest as Ms Wilkinson now understands it to have been: Mr Costa preyed on Ms Wilkinson, then a 23-year-old made vulnerable by her DID condition and by a serious personal incident which she disclosed on Twitter; Mr Costa sought to ingratiate himself under the guise of being a good Samaritan but in fact he was intent on a personal relationship, of which intent Ms Wilkinson only gradually became aware before breaking with him in November 2020.
53. There is no need for me to decide whether Ms Wilkinson's view of Mr Costa's motives, which she maintained at trial, is accurate and I do not do so. The defendants' alternative head of consideration is not that on 16 June 2020 the contract afforded Mr Costa a predatory opportunity to work with Ms Wilkinson. It is that he was being offered and expected to gain professional experience and publicity. I must decide whether this was established on the evidence.
54. The anticipated professional experience suggested by the defendants at the trial was in dealing with online influencers (nothing much was said about publicity). Both Ms Wilkinson and Mr Costa were cross-examined about this. Mr Costa said he had gained no experience from Ms Wilkinson as an online influencer and that working with her had provided him with no professional benefit. He had provided help without charge because he assumed that Ms Wilkinson could not afford to pay him anything. Ms Wilkinson maintained her case that Mr Costa had gained experience and personal value from working with her, though nothing specific was identified. She said that Mr Costa had repeatedly confirmed that he wanted nothing else in exchange, citing a WhatsApp

conversation of 28 August 2020. A printed version of the WhatsApp conversation was in evidence. In the conversation Mr Costa said nothing about only wanting to gain experience or anything about gaining experience at all. Rather, his comments tend to support Ms Wilkinson's concern that he had personal, not professional motives. Ms Wilkinson said:

“Yes, and I'm still confused why you want to help us [emoji] most people only helped us if they wanted something else in exchange.”

55. Ms Wilkinson added that she wanted boundaries to prevent miscommunications. Mr Costa responded:

“look, when I mentioned being closer, I was referring to helping each other go through this rough time in our lives as close friends! I've been in a relationship for 18 years I think I'm entitled to a little break lol”

56. I find that Mr Costa gained no professional advantage from working with Ms Wilkinson and never expected to. His motives were either altruistic, predatory, or something of both.
57. In my view Mr Costa received no consideration. There was no contract on 16 June 2020.

### **Implied terms**

58. Since there was no contract there were no terms, express or implied, but I will consider the arguments on implied terms, developed in some detail. On both sides the arguments went forward on the correct assumption that Ms Wilkinson required a licence from Mr Costa to use the Joint Works. I should say why that was. Section 16(2) of the 1988 Act provides that copyright in a work is infringed by a person who does any of the acts restricted by copyright without the licence of the copyright owner. Section 173(2) of the 1988 Act defines “copyright owner” as a reference to all owners, adding that any requirement of the licence of the copyright owner requires the licence of all of them. Therefore one joint owner can restrain another from infringing the copyright, see *Robin Ray v Classic FM Ltd* [1998] FSR 622, at 637-8.

### *The law on implied terms*

59. Lord Hughes, giving the advice of the Privy Council, summarised the law on implied terms in *Ali v Petroleum Company of Trinidad and Tobago* [2017] UKPC 2:

“[7] ... It is enough to reiterate that the process of implying a term into the contract must not become the rewriting of the contract in a way which the court believes to be reasonable, or which the court prefers to the agreement which the parties have negotiated. A term is to be implied only if it is necessary to make the contract work, and this it may be if (i) it is so obvious that it goes without saying (and the parties, although they did not, ex hypothesi, apply their minds to the point, would have rounded on the notional officious bystander to say, and with one voice, ‘Oh, of course’) and/or (ii) it is necessary to give the contract business efficacy. Usually the outcome of either approach will be the same. The concept of necessity must not be watered down. Necessity is not established by

showing that the contract would be improved by the addition. The fairness or equity of a suggested implied term is an essential but not a sufficient precondition for inclusion. And if there is an express term in the contract which is inconsistent with the proposed implied term, the latter cannot, by definition, meet these tests, since the parties have demonstrated that it is not their agreement.”

60. In *Robin Ray* Lightman J stated the principles governing the respective rights of a contractor and client in relation to the copyright in a work commissioned by the client, an explanation described as “masterful” by Jacob LJ in *Griggs Group Ltd v Evans* [2005] EWCA (Civ) 11, at [14]. The first three points concern only a contractor/client relationship and other points whether the term to be implied should be an assignment of the copyright by the contractor to the client or a licence. The principles relevant here are these:

“(5) where (as in the present case) it is necessary to imply the grant of some right to fill a lacuna in the contract and the question arises how this lacuna is to be filled, guidance is again to be found in [*Liverpool City Council v Irwin* [1977] AC 239]. The principle is clearly stated that in deciding which of various alternatives should constitute the contents of the term to be implied, the choice must be that which does not exceed what is necessary in the circumstances (see Lord Wilberforce at p.245 F-G). In short a minimalist approach is called for. An implication may only be made if this is necessary, and then only of what is necessary and no more;

...

(8) if necessity requires only the grant of a licence, the ambit of the licence must be the minimum which is required to secure to the client the entitlement which the parties to the contract must have intended to confer upon him. The amount of the purchase price which the client under the contract has obliged himself to pay may be relevant to the ambit of the licence. ...

(9) the licence accordingly is to be limited to what is in the joint contemplation of the parties at the date of the contract, and does not extend to enable the client to take advantage of a new unexpected profitable opportunity (consider *Meikle v Maufe* [1941] 3 All ER 144).”

61. The minimalist approach to implied terms was also emphasised by Sir Thomas Bingham MR giving the judgment of the Court in *Philips Electronique Grand Public SA v British Sky Broadcasting Ltd* [1995] EMLR 472. He further underlined the final point made by Lightman J, namely that the question whether a term is necessary to give business efficacy to the contract, or is so obvious that it goes without saying, is to be assessed solely by reference to what the parties knew at the time of the contract:

“The question of whether a term should be implied, and if so what, almost inevitably arises after a crisis has been reached in the performance of the contract. So the court comes to the task of implication with the benefit of hindsight, and it is tempting for the court then to fashion a term which will

reflect the merits of the situation as they then appear. Tempting, but wrong. For, as Scrutton LJ said in *Reigate v Union Manufacturing Co (Ramsbottom) Limited* [1918]1 KB 592 at 605,

‘A term can only be implied if it is necessary in the business sense to give efficacy to the contract: that is, if it is such a term that it can confidently be said that if at the time the contract was being negotiated some one had said to the parties, “What will happen in such a case”, they would both have replied, “Of course, so and so will happen; we did not trouble to say that; it is too clear”. Unless the Court comes to some such conclusion as that, it ought not to imply a term which the parties themselves have not expressed ...’”

62. Sir Thomas Bingham MR had warned earlier in the judgment (at p.481):

“It is because the implication of terms is so potentially intrusive that the law imposes strict constraints on the exercise of this extraordinary power.”

*The alleged implied terms*

63. This was the defendants’ pleaded case:

“14. Necessarily implied into the Contract were two terms:

- (a) First, that the Second Defendant (and any successors or assignees) would have a licence to use any content created by the Claimant both during and after the term of the Contract; and
- (b) Second, that the Claimant would not derogate from grant (i.e. not interfere with any rights assigned to the Second Defendant under the Contract) both during and after the term of the Contract.

15. The implied terms are each: (a) reasonable and equitable, (b) necessary to give business efficacy, alternatively, so obvious it goes without saying, (c) capable of clear expression and (d) did not contradict any express term of the Contract.”

64. The defendants divided the Joint Works into scripts used in the videos uploaded onto the DissociaDID channel, referred to as “Script Works”, and other literary works used on social media, which were called “Social Media Works”. They argued that the Script Works were created to be incorporated into videos made by Ms Wilkinson, posted online and left there indefinitely, they had no other purpose. It was obvious that a licence to use them in that way was necessary. The Social Media Works were tailored to be used in online chats regarding issues dealt with by DissociaDID. Once the Social Media Works were posted, it was not in the contemplation of the parties that Mr Costa could subsequently require them to be taken down and it would be impractical to trawl through many pages of media posts in order to do so. The foregoing facts pointed to the necessity of a licence under Mr Costa’s share of the copyright in the Joint Works, or that it was so obvious it went without saying. Furthermore it was obvious that the defendants might at some time have to enforce copyright in the Joint Works to protect

the channel's revenue stream. It was therefore necessary or obvious that the licence should be exclusive.

65. The defendants also pointed to Mr Costa's remark in his email of 20 April 2020:

“And perhaps having someone help behind the scenes makes sense now, with all that's happened recently, but it won't make sense a few months from now when you're back on track. And that's perfectly fine, I'm just glad to help in any way I can.”

*Discussion*

66. None of the Joint Works had been created by 16 June 2020. To my mind they are of no assistance in assessing the existence of implied terms because they cannot have been in the contemplation of either Mr Costa or Ms Wilkinson on that date.

67. It seems to me that Mr Costa's email of 16 June 2020 provides the best guide to what he and Ms Wilkinson contemplated on that day. Ms Wilkinson was to continue to create content, i.e. material to be used on the DissociaDID channel. Mr Costa was offering to help with “research, planning, writing, keeping tabs on things, etc.”. He had earlier said that he would not charge for this help. He had implied that in time he may withdraw (see email of 20 April 2020 quoted above). However, it is clear from Ms Wilkinson's evidence that notions of what Mr Costa would do were vague on 16 June 2020:

“[17] I accepted his offer on the 16th June 2020. ... On the 19<sup>th</sup> June 2020 the Claimant described what he planned to do in specific detail including the following; helping create a plan and strategy for the DissociaDID YouTube channel; keeping tabs on social media to warn me of any incoming or ongoing attacks; providing feedback on responses to potentially sensitive issues; developing a strategy for tackling said issues; providing feedback on the script and plan for videos; communications strategy; identifying collaboration opportunities; and helping with research.”

68. In my view, on 16 June 2020 it was not contemplated by Mr Costa or Ms Wilkinson that Mr Costa would provide content for the DissociaDID channel. His advice, feedback, proposals and research would be given. Some of that advice would concern the writing contained in Ms Wilkinson's content. I do not believe that at that stage they considered the joint creation of works in the form which they later took, works that were incorporated into videos, posted online or, in the case of the Social Media Works, used in online chats. At that stage it was expected that Ms Wilkinson would review Mr Costa's advice and feedback, accepting or rejecting it as she saw fit. It only later became apparent that it would be useful to incorporate some of his written work into content created by her such that Mr Costa became a joint author.
69. It seems to me that if a term were to be implied to accommodate that later development of collaboration, then to paraphrase Sir Thomas Bingham it would be an exercise in fashioning a term to reflect the merits of the situation as *later* appeared.



70. There was no need for Mr Costa to grant a licence to allow Ms Wilkinson to follow his advice or to use his research in the form contemplated on 16 June 2020. Had there been a contract, it would not have contained the implied terms alleged by the defendants.

### **The bare licence granted by Ms Costa to Ms Wilkinson**

71. Events moved on from 16 June 2020. A collaboration evolved which produced the Joint Works used by Ms Wilkinson on her channel and on social media. It is self-evident and was not in dispute that she was licensed to do this by Mr Costa. The issue is when that licence came to an end.
72. This was a bare licence by conduct. It was therefore revocable at any time. However, the licence would terminate only upon clear notice of revocation and would take effect only after a reasonable period following notice of revocation, see *Mellor v Watkins* (1873-74) LR 9 QB 400, at 405-6.
73. Mr Costa argues that he withdrew his consent to the defendants' exploitation of the Joint Works on 5 November 2020 when he revoked Ms Wilkinson's access to Joint Works on Google Docs (although he knew she had copies) or alternatively because on the next day, 6 November 2020, in a WhatsApp exchange day he told Ms Wilkinson that he would contact lawyers specialised in copyright to protect his rights.
74. I think that withdrawing consent to access to some of the Joint Works on Google Docs was certainly a signal that Mr Costa no longer wanted to collaborate with Ms Wilkinson. She had done something similar the previous day. But that is not the same thing as withdrawing consent to use the Joint Works which had emerged from the collaboration thus far. The discussion on 6 November 2020 about contacting lawyers was a threat to obtain legal advice, not a notice of termination.
75. On 23 November 2020 the solicitors then acting for Mr Costa sent a letter of claim. It listed the copyright works said to have been jointly authored by Mr Costa, the Joint Works, and alleged that first defendant was infringing copyrights and that Ms Wilkinson was jointly liable. It seems to me that this was sufficient notification of termination of the licence from Mr Costa. But there was a notice period.

### *The law on a reasonable notice period*

76. Mr Eldridge referred to *Alpha Lettings Ltd v Neptune Research and Development Inc* [2003] EWCA Civ 704, in which the Court of Appeal considered the notice period for termination of an exclusive agency. Longmore LJ, with whom Schiemann LJ and Richards J agreed, said:

“[30] There is little authoritative guidance on the appropriate notice for termination of exclusive agencies or (as lawyers sometimes prefer to call them) distributorships. One possible view is that the reasonable notice period should equate to the time needed to find an alternative supplier and get a new product approved. Another view is that it need only reflect the time required for an orderly winding down of the distributorship. The only common ground between the parties was that, in the absence of any express term, the question, of what notice of termination is to be taken as reasonable, must be determined as at the time of termination.

[31] One very important consideration will be the degree of formality in the relationship. A completely formal agreement would probably have its own provisions for termination so no problem about assessing a reasonable period for termination will arise. But the more relaxed the relationship, the less likely it will be that the law would imply a lengthy notice period. ...

[32] Mr Jones sought to emphasise the length of time which the parties' relationship had lasted (15 years from 1983-1998) as a factor in favour of a lengthy notice period. He likened the position to that of a valued and long-serving employee who would be entitled to a longer period of notice than an employee who had served a lesser period of time. I do not consider that a contract of employment is sufficiently analogous to an exclusive agency or a distributorship contract to be helpful. In the first place a distributor may have to spend or invest considerable capital at an early stage of the relationship to build up the business which may thereafter run with moderate annual expenditure. This would militate in favour of a lengthier notice period in the earlier years of the relationship and perhaps a lesser period once the business is up and running. No doubt it is right to lay some stress on the length of the relationship but I would not myself regard that as, in any way, critical, since businessmen expect to run risks in the ordinary course of business while employees have a legitimate (and often contractual) expectation that their services, rendered for the benefit of their employers, will be properly and adequately recognised.”

77. Mr Eldridge drew two principles from this: (1) the more relaxed the relationship, the less likely it will be that the law will imply a lengthy notice period and (2) a relevant consideration is the length of the parties' relationship. I will come back to these, but I think the most important principle to be derived from Longmore LJ's judgment is that drawing analogies with licences of a different nature and context is liable to be unhelpful.
78. Mr Elias referred to three cases. The first was *Martin-Baker Aircraft Co. Ltd. v Canadian Flight Equipment Ltd* [1955] 2 QB 556 which concerned a written exclusive licence to manufacture and sell aircraft ejector seats in the American continent. There was no provision for termination. McNair J (at p.581) referred to *Winter Garden Theatre (London) Ltd v Millennium Productions Ltd* [1948] AC 173 in ruling that the length of notice for termination of the licence had to be determined according to the ordinary principles applicable to the implication of terms into a contract. On the facts, McNair J found that to be 12 months (at pp.581 and 583).
79. *Coward v Phaestos Ltd* [2013] EWHC 1292 (Ch) was about the ownership of IP rights in software. One argument was that the claimant had granted a licence to use the software and a sub-issue, if the licence was revocable, was the appropriate period of notice. Asplin J said:

“[250] This matter also does not now arise. However, if it had been necessary to decide it, given the central nature of the software to the IKOS business, the way in which it is embedded within the software as a whole and the fact that Dr Coward did not take steps to make his software readily and clearly identifiable, the length of any notice period would have run from the date upon which the Defendants were given precise details of the Coward Software and would be the period which it would reasonably take to re-write such lines of code and the

parts of the remainder of the software the design of which relied upon the Coward Software.

[251] In the absence of any evidence, it would be inappropriate to hazard a guess as to how long such an exercise would take but it would have been likely to have been of considerable length.”

80. In *Dorling v Honnor Marine Ltd* [1964] one of the issues at first instance was whether a licence to make sailing boats under the copyright in the manufacturing plans had been granted to the defendant and if so, and if terminated, the notice period for termination. The judgment of Cross J was partly overturned on appeal ([1965] Ch 1) but not on this issue. The judge found (at p.568) that the defendant was entitled to not less than six months’ notice.
81. I can draw little assistance from the notice periods specified in the foregoing judgments. Each turned on its facts. Nor do I think that I can reliably apply to this case the two principles in *Alpha Lettings* on which Mr Eldridge relied. In the world of commercial agency agreements it will be rare that parties will not draw up a written agreement with a specified notice period and no doubt in the few exceptions of an informal agency agreement a shorter notice period might be expected. That is not this case. Schiemann LJ placed little reliance on the length of the relationship between the parties on the facts of *Alpha Lettings*. On the present facts I see no reason why it should make a difference.
82. The *Winter Garden Theatre* principle of assessing a notice period by reference to an implied term is not easily applied to this case because the bare licence here was not in the context of a commercial agreement such that commercial principles consistent with the agreement can be observed. I take the view that on the present facts the best means for assessing the length of a reasonable period for termination of a bare licence is by reference to a hypothetical agreement between the parties reached on the date on which notice of termination was given, on the assumption that both parties wanted to agree on a suitable period of notice and both were acting reasonably.

*The notice period in this case*

83. In my judgment the following are factors that would have been relevant to Ms Wilkinson and Mr Costa when reaching their hypothetical agreement on 23 November 2020:
  - (1) The effect on the defendants’ business if the notice period were too short. Ms Wilkinson said in cross-examination that there would have been a loss of trust among those viewing her channel if her videos had all been suddenly taken down. I accept that evidence.
  - (2) The time it would have taken Ms Wilkinson to avoid a loss of trust. The parties would have had in mind the time within which Ms Wilkinson could reasonably have recreated videos and other material, removing any Joint Work, and then have replaced the new material for that containing a Joint Work.
  - (3) To the extent that Joint Works could have been removed without material being taken down, they would have had in mind the time in which this could reasonably have been accomplished.

- (4) The damage that would be suffered by Mr Costa while the Joint Works remained publicly accessible on the channel. The smaller the damage to him, the more relaxed Mr Costa would have been regarding the notice period.
  - (5) Mr Costa was not going to exploit the Joint Works himself and could not do so because Ms Wilkinson remained joint owner of the copyrights in them. He therefore had no reason to press Ms Wilkinson for a short notice period so that he could use the Joint Works himself.
84. For the defendants it was submitted that a reasonable period was 12 months, for Mr Costa 30 days.
85. Mr Costa submitted that Ms Wilkinson had to complete the following tasks to avoid infringing Mr Costa's copyrights in the Joint Works:
- (1) Deleting and replacing the content of three videos.
  - (2) Delete certain text from the description box of four videos.
  - (3) Deleting and replacing comments and social media posts used at 18 URLs.
  - (4) Deleting and replacing the Instagram post at which the Joint Work Instagram Post text was used.
86. This was not accepted as common ground by the defendants but it may be broadly correct.
87. There was no evidence as to how long Ms Wilkinson took to create the matter containing one or more Joint Works, which may have provided a guide as to how long it would have taken to carry out the necessary tasks of deletion and replacement. However, everything must have been created in the period between early August 2020 when the collaboration with Mr Costa began and 23 November 2020 when Ms Wilkinson knew that she could no longer use the Joint Works, a little under four months. I will therefore assume that the tasks could have been done in four months.
88. I think a strong factor in the assessment is that there was neither evidence nor even an unsupported assertion made on behalf of Mr Costa that he suffered any harm at all while the Joint Works remained on the defendants' channel. Nor was there evidence or assertion that he would profit from their removal. His reasonable self would have wished there to be no concern caused to the many viewers of the channel. I have no doubt that in the real world Mr Costa would have been uncompromising. But in the hypothetical world of Mr Costa acting reasonably, I think he would have taken a very relaxed attitude to the required acts of deletion and replacement. I also assume that during the relevant period Ms Wilkinson would have wished to spend time creating wholly new and additional material as well as otherwise running the channel. Taking all this into account, I have reached the conclusion that the parties would have agreed a period of twice the assumed four month period for the first making of the infringing material, i.e. eight months expiring on 23 July 2021.

*Whether there were relevant acts after 23 July 2021*

89. At the CMC the judge ordered in the usual way that if liability in Mr Costa's claim were established at trial there would be a separate hearing to settle quantum. For Mr Costa to establish liability I have to be satisfied that the defendants committed acts of infringement, which means relevant acts done after 23 July 2021. If I am so satisfied, I need not investigate the scale of infringement.
90. There was in evidence a table compiled by Mr Costa's legal team indicating that Joint Works were being used by the defendants as of 8 February 2022. This was subsequently updated into another table setting out 11 URLs and identifying the Joint Work hosted at each URL listed. It was also alleged that the Instagram post which formed one of the Joint Works was never taken down by the defendants. These assertions have not been challenged by the defendants. I find that Mr Costa's rights in the Joint Works have been infringed.
91. Although there was no evidence that Mr Costa suffered loss because of the infringement, Mr Costa is not precluded from either filing evidence in an inquiry, or claiming nominal damages or seeking an account. If an inquiry or account is sought, the court will have to be satisfied in due course that the scale of compensation likely to be awarded is proportionate to the time of the court that would be taken up in assessing what the sum is, see *Jameel v Dow Jones & Co Inc* [2005] EWCA Civ 75, at [54] and [69]-[70]. That is for later.

### **Estoppel**

92. At the trial Mr Elias raised the argument that Mr Costa was estopped from terminating the licence. This was not properly pleaded. It was raised in the defendants' Response to a Part 18 Request for further information regarding the allegation pleaded in the Defence that Mr Costa's services were in the nature of a gift and involved an equitable assignment of Mr Costa's copyright in the Joint Works to the defendants, an allegation not pursued at the trial.
93. This will not do. Paragraph 9.2 of Practice Direction 16 states:
- “9.2 A subsequent statement of case must not contradict or be inconsistent with an earlier one; for example a reply to a defence must not bring in a new claim. Where new matters have come to light the appropriate course may be to seek the court's permission to amend the statement of case.”
94. Since a party may not raise a new claim in its Reply, still less can it be entitled to do so in a Response to a Part 18 Request. Mr Costa was entitled to ignore the claim of an estoppel unless and until there was an application to amend the Defence and Counterclaim. Thereafter he may have wished to seek clarification as to the details of the estoppel argument, in the event not fleshed out until counsel's skeleton at the trial. The defendants could have made an application their Defence before the judge at the CMC on 19 November 2021 because it was heard after the Response to the Part 18 Request was filed, see CPR 63.23(2). As it is, I will not consider an estoppel.

### **The counterclaim**

95. The counterclaim for breach of contract is dismissed because there was no contract. There remains the counterclaim for causing loss by unlawful means.

*The facts*

96. On 22 February 2021 Mr Costa submitted takedown requests to YouTube. The requests concerned 3 videos containing a Script Work and 78 other videos on the basis that he was joint owner of the copyright in the Disclaimer. YouTube acknowledged the requests on the same day and on 24 February 2021 notified Mr Costa that the content had been removed. 24 of the URLs (uniform resource locators, i.e. website addresses) reported on 22 February 2021 had been taken down. YouTube stated that Mr Costa could take back his claim for removal at any time if he changed his mind.
97. On 1 March 2021 Mr Costa submitted further takedown requests, reporting 18 URLs which used one or more of the Social Media Works.
98. On 3 and 4 March 2021 YouTube sent Mr Costa notice of counter notifications filed by Ms Wilkinson.
99. On 13 March 2021 Mr Costa noticed that the Disclaimer Work no longer appeared on the channel. The Disclaimer had not been used in the same way as the Joint Works. It did not exist in any of the videos themselves. It appeared in the YouTube description box of each URL hosting a video. The removal of the Disclaimer from a description box did not require the taking down of the video.
100. Mr Costa said that having noticed that the Disclaimer had been removed from the channel he asked YouTube whether he should withdraw his requests relating to the Disclaimer. He received no reply and did not withdraw those requests.
101. On 17 March 2021 YouTube sent Mr Costa notification that 5 videos were to be reinstated, all of which had been taken down because they contained the Disclaimer. On the same day Mr Costa informed YouTube by email that he had filed the present claim in this court, as he had on that day. He pressed YouTube not to reinstate the videos although he knew that neither they nor their descriptions contained the Disclaimer. On 14 April 2021 Mr Costa sent YouTube a copy of the Particulars of Claim.
102. The defendants exhibited screenshots from the DissociaDID channel showing that on 12 May 2021 9 of their videos had been removed.
103. More significantly, the evidence showed that on 25 June 2021 49 videos were taken down by YouTube. In the case of 46 of them, YouTube's notification states that they were taken down because of Mr Costa's claim that he was co-author of the Disclaimer. The videos themselves never contained the Disclaimer. The defendants submitted that at least since 13 March 2021 their respective description boxes did not have the Disclaimer either.

*The law*

104. The tort relied on in the defendants' counterclaim has been given alternative labels, sometimes "Causing loss by unlawful means", sometimes "Interference with a trade or business by unlawful means". I will use the former.
105. Lord Hoffmann summarised the ingredients of the tort in *OBG Limited v Allan* [2007] UKHL 21. His analysis was shared by the majority (Lord Walker, Baroness Hale and

Lord Brown) and was endorsed by the Supreme Court in *Secretary of State for Health v Servier Laboratories Ltd* [2021] UKSC 24 (“*Servier*”), at [1]. Lord Hoffmann said:

“[47] The essence of the tort therefore appears to be (a) a wrongful interference with the actions of a third party in which the claimant has an economic interest and (b) an intention thereby to cause loss to the claimant. ...

...

[49] In my opinion, and subject to one qualification, acts against a third party count as unlawful means only if they are actionable by that third party. The qualification is that they will also be unlawful means if the only reason why they are not actionable is because the third party has suffered no loss. ...

...

[51] Unlawful means therefore consists of acts intended to cause loss to the claimant by interfering with the freedom of a third party in a way which is unlawful as against that third party and which is intended to cause loss to the claimant. It does not in my opinion include acts which may be unlawful against a third party but which do not affect his freedom to deal with the claimant.”

106. Putting this into numbered elements, they are:

- (1) Acts by the defendant against a third party in which the claimant has an economic interest,
- (2) which are actionable in law by the third party (to include acts which are not actionable solely because the third party has suffered no loss),
- (3) where such acts affect the freedom of the third party to deal with the claimant,
- (4) and where there is an intention on the part of the defendant thereby to cause loss to the claimant.

107. The third element was explored in depth by the Supreme Court in *Servier*. The case turned on whether it was necessary for there to have been dealings between the third party and the claimant. The answer was yes. The Supreme Court approved Lord Hoffmann’s emphasis in *OBG* that the defendant’s acts must have prevented the third party from doing something which affected the claimant:

“[52] Thus in *RCA Corpn v Pollard* [1983] Ch 135 the plaintiff had the exclusive right to exploit records made by Elvis Presley. The defendant was selling bootleg records made at Elvis Presley concerts without his consent. This was an infringement of section 1 of the Dramatic and Musical Performers’ Protection Act 1958, which made bootlegging a criminal offence and, being enacted for the protection of performers, would have given Elvis Presley a cause of action: see Lord Diplock in *Lonrho Ltd v Shell Petroleum Co Ltd (No 2)* [1982] AC 173, 187. The Court of Appeal held that the infringement of the Act did not give RCA a cause of action. The defendant was not interfering with the liberty of the Presley estate to perform the exclusive recording contract which, as Oliver LJ noted, at p 149, was ‘no more than an undertaking that he will not

give consent to a recording by anybody else'. Nor did it prevent the Presley estate from doing any other act affecting the plaintiffs. The bootlegger's conduct, said Oliver LJ, at p 153: 'merely potentially reduces the profits which [the plaintiffs] make as the result of the performance by Mr Presley's executors of their contractual obligations.'

...

[54] Likewise in *Isaac Oren v Red Box Toy Factory Ltd* [1999] FSR 785, one of the claimants was the exclusive licensee of a registered design. The defendant sold articles alleged to infringe the design right. The registered owner had a statutory right to sue for infringement. But the question was whether the licensee could sue. In the case of some intellectual property rights, an exclusive licensee has a statutory right of action: see, for example, section 67(1) of the Patents Act 1977. But the exclusive licensee of a registered design has no such right. So the licensee claimed that the defendant was intentionally causing him loss by the unlawful means of infringing the rights of the registered owner. Jacob J rejected the claim on the principle of *RCA Corp'n v Pollard*. The defendant was doing nothing which affected the relations between the owner and licensee. The exclusive licence meant that the licensee was entitled to exploit the design and that the owner contracted not to authorise anyone else to do so. As Jacob J said, at p 798, para 33: 'It is true that the exploitation of the licence may not have been so successful commercially by reason of the infringement, but the contractual relations and their performance remain completely unaffected.'

108. Lord Hoffmann explained the meaning of intention in the fourth element:

"[62] Finally, there is the question of intention. In the *Lumley v Gye* tort, there must be an intention to procure a breach of contract. In the unlawful means tort, there must be an intention to cause loss. The ends which must have been intended are different. *South Wales Miners' Federation v Glamorgan Coal Co Ltd* [1905] AC 239 shows that one may intend to procure a breach of contract without intending to cause loss. Likewise, one may intend to cause loss without intending to procure a breach of contract. But the concept of intention is in both cases the same. In both cases it is necessary to distinguish between ends, means and consequences. One intends to cause loss even though it is the means by which one achieved the end of enriching oneself. On the other hand, one is not liable for loss which is neither a desired end nor a means of attaining it but merely a foreseeable consequence of one's actions."

109. Going back to the first and second elements, the takedown requests were to YouTube, an organisation in which the defendants have an economic interest in that it hosts the channel through which the first defendant runs its business. The issue is whether the requests included acts against YouTube in the sense of being actionable by YouTube. The defendants allege that YouTube had a cause of action against Mr Costa for deceit.

110. The ingredients of that tort were set out by the Court of Appeal in *Eco3 Capital Limited v Ludsin Overseas Ltd* [2013] EWCA Civ 413. Jackson LJ, with whom Arden and McFarlane LJJ agreed, said:



“[77] ... What the cases show is that the tort of deceit contains four ingredients, namely:

- i) The defendant makes a false representation to the claimant.
- ii) The defendant knows that the representation is false, alternatively he is reckless as to whether it is true or false.
- iii) The defendant intends that the claimant should act in reliance on it.
- iv) The claimant does act in reliance on the representation and in consequence suffers loss.

Ingredient (i) describes what the defendant does. Ingredients (ii) and (iii) describe the defendant’s state of mind. Ingredient (iv) describes what the claimant does.”

111. Where there is an interval of time between the representation and the claimant’s acting upon it, it will be treated as a continuing representation if left uncorrected by the representor, see *Briess v Woolley* [1954] AC 333 at 354. If during the interval the representor discovers that the representation is false or that circumstances have changed such as to make it false, liability is incurred if the representation is not corrected before it is acted upon by the claimant, see *Fitzroy Robinson Ltd v Mentmore Towers Ltd* [2009] EWHC 1552 (TCC).

*The alleged false representation*

112. At the trial, only representations in relation to the Disclaimer were pressed. As presented by the defendants they were:
- (1) On 22 February 2021 Mr Costa represented to YouTube in takedown requests both that he co-authored the Disclaimer and that it was being used without his permission.
  - (2) On 1 March 2021 Mr Costa made the same representations in further takedown requests to YouTube.
  - (3) On 17 March 2021, in response to YouTube notifying Mr Costa that they were reinstating 6 videos (in fact 5), all taken down because of a complaint about the Disclaimer, he emailed YouTube to insist that they should not be reinstated. In so doing he impliedly continued the representations made on 22 February and 1 March 2021.
  - (4) On 14 April 2021 Mr Costa emailed to YouTube a copy of his Particulars of Claim in these proceedings in order to persuade YouTube not to reinstate the defendants’ videos. In so doing he impliedly continued the representations made on 22 February and 1 March 2021.
113. The defendants also say that the representations of 22 February and 1 March 2021 were continuing because they were not corrected by Mr Costa.
114. The representations are alleged to have been false because:

- (1) Mr Costa was not an author of the Disclaimer;
- (2) Mr Costa had licensed the defendants to use the Disclaimer; and
- (3) Mr Costa admitted that on 13 March 2021 he noticed that the defendants had removed the Disclaimer from their channel, so from 13 March 2021 it was false to represent that the Disclaimer was being used without his permission.

115. I pause here to make a pedantic point. A work of co-authorship is a work produced by the collaboration of the author of a musical work and the author of a literary work where the two works – music and lyrics – are created in order to be used together, see s.10A of the 1988 Act. It is distinct from a work of joint authorship, defined by s.10 of the 1988 Act, discussed above. I am sure that Mr Costa did not have had the distinction in mind when he made his representations of co-authorship to YouTube and I very much doubt that anyone at YouTube noticed the distinction. Mr Costa should be taken to have made representations of being a joint author.
116. I have found that Mr Costa was not a joint author of the Disclaimer. The representations that he was were false. After 13 March 2021 the representation that the defendants were using the Disclaimer was false. The representation that it was being used without his permission was also false from that date. It makes no difference that on my findings above such use was licensed until 23 July 2021.

*Knowledge or recklessness*

117. Mr Costa cannot have known whether he was a joint author of the Disclaimer until that was ruled on by this court. However, an expression of opinion is to be treated as including a representation of fact, namely that the opinion is honestly held. If the opinion was not honestly held, that can amount to fraud, subject to the other ingredients of the tort, see *Vald. Nielsen Holding A/S v Baldorino* [2019] EWHC 1926 (Comm), at [133].
118. The defendants pointed out that in Mr Costa's letter of claim dated 23 November 2020 his solicitors set out a table of works relied on which did not include the Disclaimer. I cannot know what was discussed by Mr Costa and his solicitors. It could be that no one turned their mind to consider the Disclaimer until later. I do know that the Particulars of Claim, signed by counsel, allege that Mr Costa is an author of the Disclaimer, so he had discussed this with his legal team by 13 April 2021. I infer that some time before then he had been informed by his legal team at least that he had an arguable case in law that he was joint author of the Disclaimer.
119. Mr Costa said in his witness statement that he had an honest belief that he was joint author of all the works in issue, so including the Disclaimer. He did not resile from that in cross-examination. I have no basis on which to conclude that he was not telling the truth about this and I find that he was. Nor is there any basis for saying the Mr Costa was reckless.
120. On the other hand, as I have said, his knowledge from 13 March 2021 that the Disclaimer was no longer being used by the defendants means that from that date any continuing representation that the Disclaimer was being used without his permission was false and he knew that it was false. The defendants submitted that their description

box did not after March 2021 ever contain the Disclaimer and this has not been challenged by Mr Costa.

121. Mr Costa submitted that the email of 1 March 2021 was not about the Disclaimer. I will assume that is correct. The question is therefore whether Mr Costa maintained his representation of 22 February 2021 after 13 March 2021.
122. 49 videos were taken down by YouTube on 25 June 2021. YouTube's notifications state that 46 were taken down because of Mr Costa's representations that he was co-author of the Disclaimer. The defendants argue that Mr Costa cannot have corrected his earlier representations that the Disclaimer was being used by the defendants because YouTube evidently continued to rely on it, wrongly taking down videos that did not have the Disclaimer.
123. I take the view that the defendants are right about this. The evidence makes it more likely than not that Mr Costa's representation of 22 February 2021 – that the defendants were using the Disclaimer without his permission – was maintained at least until 25 June 2021 and from 13 March 2021 was maintained even though Mr Costa knew that it was false.

*Whether Mr Costa intended that YouTube should rely on the representation*

124. Mr Eldridge referred to a point made by Ms Wilkinson in cross-examination. She said that although she had removed the Disclaimer from all the descriptions of the videos online by 13 March 2021, it was not technically possible to do so in respect of videos already taken down by YouTube. If they were reinstated, their descriptions would contain the Disclaimer. Mr Eldridge argued that this was why Mr Costa emailed YouTube on 13 March 2021 to inform them that the Disclaimer had been removed and that he was unsure whether this had been done by YouTube or DissociaDID. He further asked YouTube for advice as to whether he should withdraw the his takedown requests. Mr Eldridge submitted that that this was inconsistent with an intent on his part that YouTube should rely on his representations from that date.
125. The argument on behalf of Mr Costa continued: his email of 17 March 2021 pressing YouTube not to reinstate 5 videos and his further email of 14 April 2021 attaching a copy of his Particulars of Claim in these proceedings should be read in the light of his 13 March 2021 email. Further, as he had said in cross-examination, Mr Costa believed that what mattered was whether his request for videos to be taken down because of the Disclaimer was valid at the time it was made. It was valid on 22 February 2021. Subsequently he felt no need to go further by way of correction than his email of 13 March 2021. Taking all of this together, it cannot be inferred that after 13 March 2021 Mr Costa intended that YouTube should continue to rely on his representation.
126. This was Mr Costa's message of 13 March 2021 in relevant part:

“Note: as of March 13, 2020, the infringing content has been removed from the aforementioned videos. I'm unsure as to whether this was done by YouTube or DissociaDID. Please advise if I should withdraw the claims in question.”

127. Above the message in Mr Costa's email were listed 16 URLs. It is not clear to me that YouTube would have understood that Mr Costa's message related to anything more than 16 particular URLs.
128. The emails of 17 March 2021 and 14 April 2021 add little. Both are about potential use of the Disclaimer in the event that five videos were reinstated, not actual use of the Disclaimer.
129. I have found that on 25 June 2021 46 videos were taken down by YouTube because of Mr Costa's false representations that he was co-author of the Disclaimer and that the Disclaimer was being used by the defendants. YouTube had clearly not understood that the latter representation had been withdrawn. If Mr Costa had intended a withdrawal, one would expect there to have been a response to YouTube on or shortly after 25 June 2021 saying that there had been a misunderstanding. There was no such response.
130. By the time of the trial Mr Costa may have come to believe that all that mattered was whether his representation was true on 22 February 2021. I do not accept that this is what he was thinking at the end of June 2021. He knew that YouTube had continued to rely on his representation, he had not corrected it and he was apparently content at the result. I do not believe that at this time he gave any thought to whether what he had represented on 22 February 2021 was right or wrong strictly as of that date. He asked for advice on 13 March 2021. Asking for advice is not the same thing as informing YouTube that, contrary to what he had said earlier, the defendants were no longer using the Disclaimer. He allowed YouTube to continue to believe that the Disclaimer was being used and can only have done so because he intended that YouTube should act on that belief.
131. I find that Mr Costa intended after 13 March 2021 that YouTube should continue to rely on his representation that the defendants were using the Disclaimer without his permission.

*Whether YouTube relied on the representations*

132. It follows from the foregoing that YouTube relied on Mr Costa's misrepresentation.

*Conclusion on deceit*

133. Mr Costa's representation to YouTube that he was a joint author of the Disclaimer was false, but he honestly believed it to be true and was not reckless as to its truth. The representation that the Disclaimer was being used without Mr Costa's permission was false after 13 March 2021. Mr Costa knew it to be false. YouTube relied on the representation after that date and Mr Costa intended it to.
134. Mr Costa's continuing representation after 13 March 2021 was actionable by YouTube as a tort of deceit, subject to consequential loss to YouTube. For the reasons discussed above, in the present context it is not necessary to consider whether YouTube's reliance on Mr Costa's representation caused YouTube any loss.

*Whether Mr Costa's representation affected the freedom of YouTube to deal with the defendants*

135. This was given little consideration by the parties. Mr Elias submitted that by reason of Mr Costa's misrepresentation and YouTube consequently taking down the defendants' videos on 25 June 2021, Mr Costa had interfered with the defendants' freedom to deal with YouTube. This is the wrong way around. The question is whether the representation affected YouTube's freedom to deal with the defendants. Mr Eldridge made no submissions on this aspect of the tort.
136. Before 13 March 2021 YouTube's relationship with the defendants was as host to the DissociaDID channel and to the videos on that channel. Mr Costa's continuing representation after that date that the defendants were using the Disclaimer affected YouTube's freedom to host some of those videos because of its belief that they infringed Mr Costa's rights. In part this was because of Mr Costa's representations that he was joint author of the Disclaimer. It must also have been in part because YouTube believed that the Disclaimer was on the videos themselves, a belief which was probably generated by the manner in which Mr Costa made his takedown requests, discussed below. In any event, Mr Costa's representation as to the continuing use of the Disclaimer without his permission influenced YouTube's belief that Mr Costa's rights were being infringed. Therefore the representation affected YouTube's freedom to host the relevant videos.

*Whether there was an intention on the part of Mr Costa thereby to cause loss to the defendants*

137. For the reasons given above, I have no doubt that Mr Costa intended all his representations, including that concerning the defendants' continuing use of the Disclaimer, to cause YouTube to take action. In cross-examination he said that in his takedown requests relating to the Disclaimer he had stated that it appeared in the description. This appears to be true. The implied point, as I understand it, was that he only expected the descriptions to be removed or edited, not the videos taken down.
138. Mr Costa's first takedown requests were made on 22 February 2021 in which he reported 81 URLs to which his complaints related. YouTube sent Mr Costa a copyright infringement notification confirmation on the same day, confirming his requests and stating that they were under review. YouTube's confirmation contained an entry for each URL reported. Those relating to the Disclaimer include this:

“Where does the content appear? Description.”

139. However, at the head of each entry there was this:

“URL of allegedly infringing video to be removed.”

140. Given that heading I think that Mr Costa must have understood that where his complaint was about the Disclaimer at a stated URL, the action taken by YouTube would be the removal of the video at that URL. Moreover, YouTube had separate complaint procedures for video and non-video content. He could have filed a non-video complaint which would seem to have been more appropriate and would have been less likely to risk the removal of the defendants' videos. He was asked about this in cross-examination and gave no satisfactory answer.
141. I find that from 22 February 2021 Mr Costa intended YouTube to act on his takedown requests based on the defendants' use of the Disclaimer. This continued after 13 March

2021. He knew that the Disclaimer appeared only in descriptions, not in the videos themselves. He also expected that his requests would lead to the removal of the videos at the URLs he had specified and he intended this to happen.

142. As I have discussed, in *OBG v Allan* Lord Hoffmann drew the distinction between a loss which is intended and “a loss which is neither a desired end nor a means of attaining it but merely a foreseeable consequence of one’s actions”.
143. It was submitted on behalf of Mr Costa that his acts leading to takedown requests were motivated not by a desire to inflict loss on the defendants but only to protect his intellectual property rights and to prevent his rights being used in a way of which he did not approve. It was said that Mr Costa’s position was summed up in this part of paragraph 65 of his witness statement:

“Since March 2020, I had watched the Second Defendant amass a large audience comprised mostly of vulnerable people, and for me, helping her was always about doing some good for the world. However, at that point, I realised that I might have been an unwitting party to fraud. I knew that I would never find peace knowing that my work was being used irresponsibly or in a way that could cause harm to others. That was not what I signed up for, and, with what I now knew, I would have never offered to help the Second Defendant or let her use my work under any circumstances.”

144. These are strong words. Ms Wilkinson’s alleged fraud appears to be a reference back to what Mr Costa had said earlier in his statement at paragraph 56:

“After the collaboration ended in early November 2020, I objected to the Defendants’ use of my work for at least the following reasons:

- a) After the Second Defendant granted me Manager access to the Channel in October 2020, I was shocked to discover that the Second Defendant had lied to me about her earnings – so I wouldn’t press her on the promised contract, I assumed. Worse, she had lied to her patrons in June 2020, claiming that she needed their help to pay rent despite having earned over £50,000 on YouTube alone in the three months prior – something that I considered to be fraud. I was, therefore, worried that the Defendants would use my work for unethical purposes.
  - b) I did not think the Second Defendant’s mental health was stable enough to return to YouTube and had asked her to wait until January 2021. Accordingly, I feared that the Second Defendant would use my work incautiously or irresponsibly.
  - c) I felt wronged by the Defendants after having dedicated so much of myself to DissociaDID and been promised a contract, only to be discarded under what I considered to be false pretences.”
145. Mr Costa was asked in cross-examination why he had not more fully explained his allegation of fraud. He said that this case was not about fraud so he had not said anything further about it. It was not put to Ms Wilkinson that she had lied to patrons or anyone else about her rent (I take her patrons to be viewers of her channel) and there

was no evidence at all to support this allegation. I find that the allegation of fraud has no basis in truth.

146. Nonetheless, the first reason for Mr Costa's objections given in paragraph 56 of his witness statement largely rings true: Mr Costa was shocked to discover that Ms Wilkinson was making a lot of money from the channel, partly by exploiting the Joint Works and the Disclaimer. So does the last reason: he was hoping for a contract and had been discarded. I think it is likely that there was a further reason: Mr Costa had been very keen to work with Ms Wilkinson and she had rebuffed him. I can easily believe that through the cumulative effect of these Mr Costa became angry.
147. If Mr Costa's reaction had been confined to efforts to restrain the defendants from exploiting the Joint Works and the Disclaimer, the fourth element of the tort would not have been satisfied. Restraining the defendants in this way would foreseeably have caused harm to the defendants but harm would not have been a desired end in itself. However, I have found that Mr Costa intended that his takedown requests based on the Disclaimer should result in the defendants' videos being taken down even though he knew that the Disclaimer was only contained in the descriptions. I think that the only fair inference I can draw is that Mr Costa did this, achieved in part by his false representation that the defendants were using the Disclaimer, because he wanted to cause harm to the defendants, harm generated by videos vanishing in large numbers from the channel. The fourth element of the tort is satisfied. The counterclaim succeeds.

### **Quantum of loss in the counterclaim**

148. The judge at the CMC ordered that the quantum of damage suffered by the defendants if their counterclaim succeeded should be assessed at the trial. I imagine that at the CMC it appeared that such an assessment should be straightforward and would be more efficiently done at the trial.
149. It has not worked out that way. The defendants provided a table of earnings from their channel with calculations of what earnings should have been and figures for actual earnings. They claim the difference in the last two sets of figures. The defendants are entitled to claim only in relation to videos taken down in response to a request relating to the Disclaimer after 13 March 2020. The damages claimed are not so limited and I would not in any event accept the figures without further argument. I think that such further argument should take place at the same time as an inquiry or account in relation to Mr Costa's claim if there is to be one.
150. This is a dispute between two individuals, not between well-financed corporations. In my view there should be a set-off before money changes hands in one direction or the other. If Mr Costa does not seek an inquiry or account, I will assess the defendants' claim on the papers following further brief submissions.

### **Overall conclusion**

151. Mr Costa was not a joint author of the Disclaimer. There was no contract between Mr Costa and Ms Wilkinson. Had the contract existed, it would not have contained the implied terms alleged by Ms Wilkinson.

152. The defendants committed acts of infringement of Mr Costa's rights in the copyright in the Joint Works after the end of the bare licence granted by Mr Costa.
153. The defendants' counterclaim for breach of contract is dismissed. The counterclaim that Mr Costa caused the defendants loss by unlawful means succeeds. Assessment of loss to the defendants is adjourned to be heard at the same time as Mr Costa's inquiry or account or, if there is none, to a decision on the papers.