

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

PC DRIVERS HEADQUARTERS, LP,

Plaintiff,

v.

MALWAREBYTES, INC.,

Defendant.

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1:18-CV-234-RP

ORDER

Before the Court is Plaintiff PC Drivers Headquarters, LP’s (“PC Drivers”) motion for preliminary injunction, (Dkt. 2). The Court held a hearing on the motion on April 11, 2018. After considering the briefs, the evidence, and the relevant law, the Court **DENIES** the motion.

I. BACKGROUND

PC Drivers offers software designed to help customers optimize the processing speed of their computers and identify software drivers ready to be updated. (Compl., Dkt. 1, ¶ 7). Defendant Malwarebytes, Inc. (“Malwarebytes”) sells software that blocks various programs on its customers’ computers, including software deemed malicious or potentially unwanted. Programs falling under the latter category are called potentially unwanted programs (“PUPs”). PC Drivers contends that, in January 2018, Malwarebytes inappropriately branded one or more of its programs as a PUP.¹ On computers that have Malwarebytes’ premium version installed (or the first 14 days of the free trial of the premium software), the process set in motion by the PUP label has both rendered PC Drivers’

¹ It is not entirely clear to the Court which program or programs have been labeled as a PUP. In its complaint, PC Drivers alleges that Malwarebytes labeled Driver Detective and Driver Support as PUPs in October 2016, (Compl., Dkt. 1, ¶ 14), and then once again designated “the Products” (which had been defined as Driver Support, Active Optimization, and Driver Detective previously in the complaint, (*id.* ¶ 8)) as PUPs in January 2018, (*id.* ¶ 18). At other points in the complaint, PC Drivers refers to the affected products more generally as “PC Drivers’ software.” (*E.g., id.* ¶ 16). For the sake of clarity, the Court will refer to the software affected by the PUP listing as “PC Drivers’ software” or “the software.”

software inoperable and blocked access to PC Drivers' website. (Compl., Dkt. 1, ¶ 18; Hearing Testimony).

This is not the first time that PC Drivers has complained of being listed as a PUP by Malwarebytes. In October 2016, Malwarebytes also listed some PC Drivers programs as PUPs. (Compl., Dkt. 1, ¶ 14). PC Drivers complained, and after the software received certification from a newly developed third-party certifier called AppEsteem, Malwarebytes stopped labeling the programs as PUPs. (*Id.* ¶ 17). PC Drivers contends that this time, the labeling of its software as a PUP was done arbitrarily because PC Drivers continues to carry AppEsteem certification and the programs have not changed substantially since Malwarebytes last decided to delist give them the PUP label. (*Id.* ¶ 19). When Malwarebytes did not delist the software, PC Drivers initiated this lawsuit, bringing ten claims: (1) false advertising in violation of § 43(a) of the Lanham Act, codified at 15 U.S.C. § 1125(a); (2) trademark dilution in violation of 15 U.S.C. § 1125(c); (3) trademark infringement in violation of 15 U.S.C. § 1114; (4) business disparagement; (5) tortious interference with contractual relations; (6) negligence; (7) gross negligence; (8) unfair competition; (9) promissory estoppel;² and (10) declaratory judgment. (Compl., Dkt. 1, ¶¶ 35–71).

II. LEGAL STANDARD

A preliminary injunction is an extraordinary remedy. The decision to grant one is to be treated as an exception rather than the rule. *Valley v. Rapides Parish Sch. Bd.*, 118 F.3d 1047, 1050 (5th Cir. 1997). This remedy is granted only if a plaintiff demonstrates (1) likelihood of success on the merits; (2) irreparable harm in the absence of preliminary relief; (3) that the balance of equities tips in the plaintiff's favor; and (4) that an injunction is in the public interest. *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008). The party seeking injunctive relief must “carr[y] the burden of

² All of PC Drivers' state law claims are brought under Texas law. (Compl., Dkt. 1, ¶ 1).

persuasion on all four requirements.” *PCI Transp. Inc. v. Fort Worth & W. R.R. Co.*, 418 F.3d 535, 545 (5th Cir. 2005).

III. DISCUSSION

PC Drivers has not met its burden to demonstrate a likelihood of success on the merits. *See Daniels Health Scis., L.L.C. v. Vascular Health Scis., L.L.C.*, 710 F.3d 579, 582 (5th Cir. 2013) (“To show a likelihood of success, the plaintiff must present a prima facie case, but need not prove that he is entitled to summary judgment.”). At the hearing, PC Drivers produced evidence that Malwarebytes has not been cooperative with PC Drivers as PC Drivers has attempted to figure out why its software has been declared a PUP again and what criteria Malwarebytes used to so declare it. PC Drivers also suggested that PC Drivers is an innocent victim of an act of retaliation taken by Malwarebytes against AppEsteem in response to AppEsteem’s threat to list Malwarebytes as a “deceptor.” However, PC Drivers has not shown it is sufficiently likely to succeed on the merits of its claims to justify the extraordinary relief it seeks.

A. Statutory Immunity

Malwarebytes contends that it is immune to all of the claims brought against it not pertaining to intellectual property pursuant to a safe harbor provision of the Communications Decency Act codified at 47 U.S.C. § 230(c)(2)(B).³ The statute provides, in relevant part:

(c) Protection for “Good Samaritan” blocking and screening of offensive material

⋮
(2) Civil liability

No **provider or user** of an **interactive computer service** shall be held liable on account of—

(A) any action voluntarily taken in good faith to restrict access to or availability of material that the **provider or user** considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, or **otherwise objectionable**, whether or not such material is constitutionally protected; or

³ The safe harbor expressly does not apply to intellectual property claims. 47 U.S.C. § 230(e)(2) (“Nothing in this section shall be construed to limit or expand any law pertaining to intellectual property.”).

(B) any action taken to enable or make available to information content providers or others the technical means to restrict access to material described in paragraph (1).⁴

47 U.S.C. § 230(c)(2) (emphasis added).

Whether § 230(c)(2)(B) applies to websites like Malwarebytes designed to block unwanted programs appears to be a question of first impression in this circuit. However, Malwarebytes has pointed to persuasive authority from the Ninth Circuit holding that the provision applies in similar circumstances. *Zango, Inc. v. Kaspersky Lab, Inc.*, 568 F.3d 1169, 1178 (9th Cir. 2009). In *Zango*, an internet company sued a software company, Kaspersky, which provided software it billed as helping “filter and block potentially malicious software,” for improperly blocking the plaintiff’s software. *Id.* at 1170. The court affirmed the district court’s holding that Kaspersky was entitled to protection under § 230(c)(2)(B) because it was an “interactive computer service” and could not be held liable for actions taken “to make available to others the technical means to restrict access to objectionable material.” *Id.* Malwarebytes contends that the same reasoning applies to it here.

PC Drivers contends that the safe harbor does not apply because (1) Malwarebytes does not meet the statutory meaning of “interactive computer service,” (2) Malwarebytes is seeking immunity for its own statements, which are not covered by § 230(c), and (3) Malwarebytes’ conduct was not undertaken in good faith. (Reply, Dkt. 17, at 1–3). None of these arguments is persuasive.

First, Malwarebytes likely does meet the statute’s definition of “interactive computer service.” The statute defines “interactive computer service” as “any information service, system, or access software provider that provides or enables computer access by multiple users to a computer server” 47 U.S.C. § 230(f)(2). Although PC Drivers disputes that the definition applies to

⁴ “[P]aragraph (1)” appears to be a scrivener’s error; it should almost certainly say “subparagraph (a).” This reading makes the most sense because paragraph (1) does not describe any material, while subparagraph (a) does. The Ninth Circuit has persuasively concluded that this interpretation is correct. *Zango Inc. v. Kaspersky Lab, Inc.*, 568 F.3d 1169, 1173 n.5 (9th Cir. 2009). Therefore, the “material” to which (c)(2)(B) refers is “material that the provider or user considers to be obscene, lewd, lascivious, filthy, excessively violent, harassing, or otherwise objectionable.” 47 U.S.C. § 230(c)(2)(A). The relevant material here is material “that the provider . . . considers to be . . . otherwise objectionable.” *Id.*

Malwarebytes here, many courts have found that the definition is to be broadly applied, including to websites. *See, e.g., Enigma Software Grp. USA, LLC v. Bleeping Computer LLC*, 194 F. Supp. 3d 263, 273 (S.D.N.Y. 2016) (collecting cases, finding that “websites clearly so qualify” as “an ICS under the statute”); *Fair Hous. Council of San Fernando Valley v. Roommates.Com, LLC*, 521 F.3d 1157, 1162 n.6 (9th Cir. 2008) (“Today, the most common interactive computer services are websites.”).

Malwarebytes maintains that the definition applies to it because it provides its users with access to its servers when it allows them to download updates to its software.⁵ The Ninth Circuit found that a company similar to Malwarebytes meets the definition because it “provide[s] users with access to the new malware definition content that is available on its servers.” *Zango*, 568 F.3d at 1176. PC Drivers does not provide any cases supporting its alternative interpretation.

Second, PC Drivers alludes to the requirement that the statements for which the provider claims immunity be someone else’s statements, but this requirement is present only in § 230(c)(1). *See* 47 U.S.C. § 230(c)(1) (“No provider or user of an interactive computer service shall be treated as the publisher or speaker of any information provided by another information content provider.”). However, Malwarebytes does not claim immunity under § 230(c)(1); it relies only upon § 230(c)(2), which contains no such limitation.

Finally, PC Drivers contends that Malwarebytes did not act in good faith. Section 230(c)(2)(A) has a good-faith requirement, but § 230(c)(2)(B) does not.⁶ The *Zango* court did not reach the question of whether § 230(c)(2)(A)’s good-faith requirement should be construed implicitly to extend to § 230(c)(2)(B), *Zango*, 568 F.3d at 1177, but a California district court analyzed the text and found no reason to read a good-faith requirement into § 230(c)(2)(B) where Congress could have easily included one if it intended to, as shown by the fact that it included the requirement in § 230(c)(2)(A). *Enigma Software Grp. USA LLC v. Malwarebytes Inc.*, No. 5:17-CV-02915-EJD, 2017

⁵ Malwarebytes also asserts that it qualifies as a “user” of an interactive computer service.

⁶ Malwarebytes also contends that it has acted in good faith and is entitled to protection under § 230(c)(2)(A).

WL 5153698, at *3 (N.D. Cal. Nov. 7, 2017). This reasoning is persuasive; with no further argument from PC Drivers about why a good-faith requirement should be read into § 230(c)(2)(B), the Court cannot find that it is likely to succeed on the merits on this basis.

For these reasons, PC Drivers has not met its burden of demonstrating it is likely to succeed on the merits of its claims that may be barred by § 230(c)(2).

B. Intellectual Property Claims

The parties dispute the extent to which the § 230(c)(2) safe harbor applies to the federal claims brought by PC Drivers. Because of the intellectual property law carve-out, the parties do not dispute that the safe harbor does not apply to the trademark dilution and trademark infringement claims. However, Malwarebytes contends that PC Drivers' federal unfair competition claim does fall under the safe harbor because it does not involve a law pertaining to intellectual property.

1. Lanham Act Unfair Competition

Although some portions of the Lanham Act concern intellectual property, Malwarebytes maintains that this particular provision does not and therefore does not fall under the intellectual property carve-out to the § 230(c)(2) safe harbor. *See Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 28–29 (2003) (“While much of the Lanham Act addresses the registration, use, and infringement of trademarks and related marks, § 43(a), 15 U.S.C. § 1125(a) is one of the few provisions that goes beyond trademark protection.”). Although the specific provision does not address intellectual property, it is a part of the Lanham Act, which as a whole “pertain[s] to intellectual property,” 47 U.S.C. § 230(e)(2). Courts have come to differing conclusions on this issue. *Compare Enigma*, 2017 WL 5153698, at *3 (“Enigma’s false advertising claim under the Lanham Act, 15 U.S.C. § 1125(a)(1)(B), does not arise under a ‘law pertaining to intellectual property’ under 47 U.S.C. § 230(e)(2).”), and *Associated Bank-Corp. v. Earthlink, Inc.*, No. 05-C-0233-S, 2005 WL 2240952, at *4 (W.D. Wis. Sept. 13, 2005) (finding § 230 immunity applicable to a claim brought under 15

U.S.C. § 1125(a)), *with Gucci Am., Inc. v. Hall & Assocs.*, 135 F. Supp. 2d 409, 412 (S.D.N.Y. 2001) (finding no § 230 immunity for a 15 U.S.C. § 1125(a) claim). The Court need not resolve the dispute concerning the safe harbor's applicability to the § 43(a) claim for the purposes of this order because PC Drivers has not shown that it is likely to succeed on this claim even if the safe harbor does not apply.

In its complaint, PC Drivers contends Malwarebytes is violating § 43(a) because Malwarebytes has exhibited “false and misleading descriptions and representations of fact about PC Drivers’ Products using the Marks in commercial advertising or promotions” by making statements that “misrepresent the nature, characteristics, and qualities of PC Drivers’ goods and services” that are “likely to deceive consumers.” (Compl., Dkt. 1, ¶ 37). The Court infers from this characterization that PC Drivers alleges a § 1125(a)(1)(B) false advertising claim, but not a § 1125(a)(1)(A) false association claim. *See Lexmark Int’l, Inc. v. Static Control Components, Inc.*, 134 S. Ct. 1377, 1384 (2014) (“Section 1125(a) . . . creates two distinct bases of liability: false association, § 1125(a)(1)(A), and false advertising, § 1125(a)(1)(B).”).⁷

A *prima facie* false advertisement claim under the Lanham Act consists of five elements: “(1) false or misleading statement of fact about a product; (2) the statement deceived or had the capacity to deceive a substantial segment of potential consumers; (3) the deception was material; (4) the product is in interstate commerce; and (5) the plaintiff has been or is likely to be injured as a result of the statement at issue.” *Schlotsky’s, Ltd. v. Sterling Purchasing & Nat’l Distribution Co.*, 520 F.3d 393,

⁷ PC Drivers has not elaborated upon this contention in its brief in support of its motion for a preliminary injunction or in its oral presentation at the hearing, so the Court is left to piece together how exactly the behavior that PC Drivers has complained of might violate this provision. Notably, PC Drivers does not explain how any of its contentions of fact show that it is likely to succeed on any of the ten causes of action it brings. Its primary legal argument is devoted to asserting that the § 230(c)(2) safe harbor does not apply to Malwarebytes’ conduct, but even a successful argument that immunity does not apply would be insufficient to show an affirmative likelihood of success for any cause of action. PC Drivers has not provided the Court with much in the way of legal argument affirmatively supporting its request for extraordinary relief. For example, the only case it cites in its opening brief in support of its motion for preliminary injunction is a Supreme Court case setting forth the preliminary injunction standard. (*See* Mot. Prelim. Inj., Dkt. 2, at 6 (citing *Winter v. Nat. Res. Def. Council, Inc.*, 555 U.S. 7, 20 (2008))).

400 (5th Cir. 2008). To obtain equitable relief, a plaintiff alleging Lanham Act false advertisement must show that the advertisement is either literally false or likely to mislead and confuse customers. *Pizza Hut, Inc. v. Papa John's Int'l*, 227 F.3d 489, 495 (5th Cir. 2000). “If the statement is shown to be misleading, the plaintiff must also introduce evidence of the statement’s impact on consumers, referred to as materiality.” *Id.* The statement alleged to have violated § 43(a) must be one of fact; a statement of general opinion is not actionable. *Eastman Chem. Co. v. PlastiPure, Inc.*, 775 F.3d 230, 234 (5th Cir. 2014); *see also* 15 U.S.C. § 1125(a) (providing that the cause of action may be brought against a person who makes “any . . . false or misleading description of fact, or false or misleading representation of fact” in connection with goods or services). A statement is one of fact if it “(1) admits of being adjudged true or false in a way that (2) admits of empirical verification.” *Id.* at 235 (quoting *Presidio Enters., Inc. v. Warner Bros. Distrib. Corp.*, 784 F.2d 674, 679 (5th Cir. 1986)).

Here, PC Drivers asserts that Malwarebyte’s designation of PC Drivers’ software as a PUP is misleading. (*See* Compl., Dkt. 1, at 5 (“Malwarebytes wrongly identified PC Drivers’ products with a PUP rating.”); Mot. Prelim. Inj., Dkt. 2, at 6 (asking the Court to require Malwarebytes to stop listing PC Drivers’s products as PUPs)). Although PC Drivers disagrees with Malwarebytes’ decision to classify PC Drivers’ software as a PUP, it has not demonstrated that this designation is false. The designation itself—“potentially unwanted program”—inherently carries with it the acknowledgment that it is only a guess as to whether the program is or is not unwanted, as made clear by the inclusion of the word “potentially.” Moreover, the descriptor “unwanted” looks more like a subjective opinion than a factual assertion. For these reasons, PC Drivers has not demonstrated that it is likely to succeed on the merits with respect to its § 43(a) claim.

2. Lanham Act Antidilution

As Malwarebytes notes, a Lanham Act Antidilution claim requires that the mark at issue be famous. *See* 15 U.S.C. § 1125(c) (“[T]he owner of a famous mark . . . shall be entitled to an

injunction”); *Bd. of Regents, Univ. of Tex. Sys. ex rel. Univ. of Tex. at Austin v. KST Elec., Ltd.*, 550 F. Supp. 2d 657, 674 (W.D. Tex. 2008) (“[T]he mark must be a household name.”). PC Drivers has not produced evidence that its mark is famous, nor did it respond to Malwarebytes’ argument that it is insufficiently famous to bring an antidilution claim. Therefore, PC Drivers has not shown that it is likely to succeed on this claim.

3. Lanham Act Trademark Infringement

Finally, PC Drivers has not shown that its federal trademark infringement claim will likely succeed. PC Drivers contends that Malwarebytes’ software is “likely to cause consumers to draw the false impression that Malwarebytes’ consumer software products and services are associated with, authorized, endorsed or sponsored by, or that Malwarebytes is an affiliate or sponsor of, PC Drivers.” (Compl., Dkt. 1, ¶ 48). At the outset, the Court notes that this claim is strange when viewed in conjunction with PC Drivers’ other claims. If Malwarebytes is making negative statements to customers about PC Drivers’ product, why would customers think Malwarebytes is endorsed by PC Drivers? Put differently, how could Malwarebytes be both disparaging a product and implying endorsement by the product’s maker?

Malwarebytes invokes the nominative fair use defense and contends that its use of PC Drivers’ mark is not likely to cause confusion. “The nominative fair use doctrine provides that one who has lawfully copied another’s product can tell the public what he has copied.” *Bd. of Supervisors for Louisiana State Univ. Agric. & Mech. Coll. v. Smack Apparel Co.*, 550 F.3d 465, 488 (5th Cir. 2008) (citation and quotation marks omitted); *see also id.* at 489 (“[A] court ordinarily should consider a nominative fair use claim in conjunction with its likelihood-of-confusion analysis in order to avoid lowering the standard for confusion.”). Nominative fair use is “limited in that the use cannot be one that creates a likelihood of confusion as to source, sponsorship, affiliation, or approval.” *Pebble Beach Co. v. Tour 18 I Ltd.*, 155 F.3d 526, 546 (5th Cir. 1998), *abrogated on other grounds by TrafFix Devices, Inc.*

v. Marketing Displays, Inc., 532 U.S. 23, 32–33 (2001). To employ the defense, a defendant “(1) may only use so much of the mark as necessary to identify the product or service and (2) may not do anything that suggests affiliation, sponsorship, or endorsement by the markholder.” *Id.* Here, PC Drivers has not produced evidence suggesting that Malwarebytes has used PC Drivers’ mark in any way other than listing the name of the website to explain what it is blocking. There is no evidence that suggests affiliation, sponsorship, or endorsement by PC Drivers. Indeed, Malwarebytes’ use of the label “potentially unwanted program” to describe PC Drivers’ products implies anything but endorsement; customers told by Malwarebytes that PC Drivers’ software might be unwanted are not likely to think that PC Drivers endorses Malwarebytes. *See Baker v. DeShong*, 90 F. Supp. 3d 659, 663 (N.D. Tex. 2014), *aff’d sub nom. Office of Med. & Sci. Justice, Inc. v. DeShong*, 596 F. App’x 328 (5th Cir. 2015) (finding that a website criticizing the plaintiff was not likely to cause confusion because “[n]o one would believe that [the plaintiff] sponsored a site criticizing himself or the scientific underpinnings of his work”) (citing *New Kids on the Block v. News America Publ’g, Inc.*, 971 F.2d 302, 308–09 (9th Cir. 1992)); *see also New Kids on the Block*, 971 F.2d at 308–09 (finding that nominative fair use applied, in part because the critical nature of the use of the mark did not imply an endorsement by the holder of the mark). A screenshot shows that Malwarebytes refers to the mark only once, by using the domain name `download.driversupport.com`. (Ex. C to Kujawa Decl., Dkt. 16-4, at 2). In this context, Malwarebytes is informing the user of the name of the website it is blocking; it is unclear how it could do so without using the domain name. Malwarebytes has shown that its use of PC Drivers’ mark here likely constitutes nominative fair use. Therefore, PC Drivers has not shown a sufficient likelihood of success on its claim that Malwarebytes is infringing its trademark.

IV. CONCLUSION

For the foregoing reasons, PC Drivers' motion for a preliminary injunction, (Dkt. 2), is **DENIED**.

SIGNED on April 23, 2018.

A handwritten signature in blue ink, appearing to read "R. Pitman", written over a horizontal line.

ROBERT PITMAN
UNITED STATES DISTRICT JUDGE