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AN AUDIO-VISUAL NOTICE OF USE DATABASE: A SOLUTION TO THE ORPHAN WORKS PROBLEM IN
THE INTERNET AGE

I. INTRODUCTION

For the better part of a decade, the United States Copyright Office and Congress have grappled with the problem of orphan works, a troubling by-product of the post-1976 copyright regime in the United States.¹ “Orphan work” is a term for a copyrighted work the owner of which cannot be identified and located by someone who wishes to make use of the work in a manner that requires permission of the copyright owner.² Because no copyright owner can be found for an orphan work, non-owners are unable to obtain permission to use, digitize, or adapt these works. Moreover, because the situation gives rise to numerous instances where copyright

¹ The Copyright Office has been holding hearings and releasing notices of inquiry and reports continuously since 2005. *Orphan Works: Notice of Inquiry*, 70 Fed. Reg. 3739 (Jan. 26, 2005). As recently as April 4, 2014, the Office called for additional comments by parties interested in weighing in on the orphan works issue, in response to its February 2014 Notice of Inquiry (Copyright Office, *Extension of Comment Period: Orphan Works and Mass Digitization: Request for Additional Comments*, 79 Fed. Reg. 65 (April 4, 2014) (Docket No. 2012-12)). Furthermore, as recently as 2012, in *Golan v. Holder*, the Supreme Court called for Congress to pass legislation that would address the orphan-works issue (see *Golan v. Holder*, 132 S. Ct. 873, 893-94 (2012)).

² Copyright Office, *Report on Orphan Works* 1 (2006) (available on the Copyright Office’s website at <http://www.copyright.gov/orphan/orphan-report-full.pdf>) (hereinafter “Copyright Office 2006 Report”). See also, *Orphan Works in Copyright Law*, Congressional Research Service, C.R.S. 7-5700, 1 (2010).

owners are not utilizing or preserving their works, and non-owners are deterred from using the works from fear of copyright infringement liability, socially and artistically valuable works are often cast aside and forgotten.

Before 1976, in order to obtain federal copyright protection, a work needed to be formally registered with the Copyright Office or published with proper notice, formalities designed to provide the public with information and contact information about the copyright owner.³ Subsequent to such initial formalities, after 28 years, the owner needed to renew the copyright term to maintain protection for the next 28 years.⁴ Congress passed the Copyright Act of 1976 in order to increase the United States' role in the international copyright community and to give greater protection to copyright owners, among other reasons.⁵ The Copyright Act of 1976 eliminated both the formality requirements for copyright protection and the renewal requirement to maintain protection for the maximum amount of time available.⁶ The Copyright Act of 1976 thereby afforded copyright owners much greater protection than they had under the previous regime.⁷

Despite the many benefits of the Copyright Act of 1976, the act was not without its pitfalls. Providing automatic protection upon fixation of a work exacerbated the orphan works issue for new works after 1978. At the time of the 1976 Act's passing, about 85 percent of all copyrighted works were not renewed.⁸ In passing the 1976 Act, Congress recognized that the act's implementation of a life-plus-50 year term⁹ would "tie up a substantial body of material that is probably of no commercial interest" but would be of a general social, historical, and artistic

³ Copyright Act of 1909, Pub. Law 60-349, 35 Stat. 1075 (1909).

⁴ *Id.*

⁵ H.R. Rep. No. 94-1476, at 135 (1976).

⁶ *See* Pub. L. No. 94-553, 90 Stat. 2541 (1976).

⁷ H.R. Rep. No. 94-1476, at 135 (1976).

⁸ H.R. Rep. No. 94-1476, at 136 (1976).

⁹ Copyright Act of 1976, Pub. L. 94-553, 90 Stat. 2541 (1976).

benefit to the public if in the public domain.¹⁰ Congress decided that the advantages of the new system outweighed the disadvantages, and passed the 1976 Act accordingly.¹¹ When Congress passed supplementary copyright legislation such as the Uruguay Round Agreements Act of 1994¹² and the Sonny Bono Copyright Term Extension Act of 1998,¹³ it further exacerbated the orphan works problem (“the Problem”) by encompassing an even greater amount of socially-valuable works, many accordingly without an identifiable owner.¹⁴

The Problem represents the ultimate conflict embodied by copyright law: the struggle between the rights of a copyright owner and the public at large.¹⁵ On one hand, an effective copyright system must adequately protect the interests of copyright owners so that authors are incentivized to continue to create new expressive socially, artistically, and culturally valuable works.¹⁶ At stake on the other hand is the public interest, which includes both the freedom of speech as well as the desire to preserve socially, artistically, and culturally valuable works.¹⁷ As American copyright law continuously provides more and longer-lasting protection to authors, thus leaving increasingly more orphan works relegated to disuse, the balance between copyright owners and the public is continuously disrupted. As both the Copyright Office and Congress

¹⁰ *Id.*

¹¹ *Id.*

¹² The Uruguay Round Agreements Act of 1994 reinstated the copyrights of works created abroad that had previously been in the public domain. *See* Uruguay Round Agreements Act, Pub. L. 103-465, 108 Stat. 4809 (1994).

¹³ The Sonny Bono Copyright Term Extension Act of 1998, *inter alia*, extended copyright terms an additional 20 years to 70 years past the life of the author. *See* Pub. L. No. 105-298, 112 Stat. 2827 (1998).

¹⁴ By removing certain works from the public domain and reinstating the copyrights in those works, the 1994 Act usurped the public’s ability to utilize and preserve such works because the newly reinstated copyright owners were unknown or not locatable due to chain-of-title confusion. Pub. L. 103-465, 108 Stat. 4809 (1994). Furthermore, the 1998 Act’s extension of copyright terms an only further prevented socially valuable, yet commercially inconsequential, works from entering the public domain, and subsequently receiving the attention and preservation that they deserve. This will be discussed in greater detail in Part III of this paper, *infra*.

¹⁵ *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003).

¹⁶ *Id.*

¹⁷ *Id.*

have noted, for the sake of the overall benefit of the public, Congress must enact a swift solution to the Problem.¹⁸

Over the past decade, scholars and legislators have suggested several potential solutions to the Problem. Each has fallen short. As will be discussed in this paper, most of the proposals were not adopted primarily because, for some reason or another, they did not adequately maintain a balance between the rights of the copyright owner and the rights of the public at large. This paper proposes that Congress adopt legislation which combines previously-considered proposals with a technological solution that is now available and practical to implement: a system by which the Copyright Office may grant a compulsory license to use an orphan work after the would-be user demonstrates that she made a reasonably diligent search for the copyright owner but was unable to locate him. Upon granting of the license, the licensee would list the orphan work on an online interactive Orphan Works Notice of Use Database. In order to absolve the user of any potential liability for using an orphan work, the legislation would conclude with an Orphan Works Affirmative Defense. By utilizing technological advances to implement the traditional orphan works standard of “reasonably diligent search,” the proposed legislation will help strike a previously-unattainable balance between the interests of copyright owners and the interests of the public.

Section II of this paper will provide an overview of the orphan works problem. Section III of this paper will provide an historical and legal overview of the context in which the Problem was formed and developed. Section IV will discuss the various potential solutions to the orphan work issue, highlighting their strengths and weaknesses. In section V, this paper will propose a

¹⁸ Copyright Office 2006 Report, *supra* n. 2 at 92.

more nuanced solution to the orphan works conundrum that aims to strike a proper balance between the rights of the copyright owner and the rights of the public.

II. OVERVIEW OF THE ORPHAN WORKS PROBLEM

This section discusses the ramifications of the orphan works problem (“the Problem”) in the United States. This section also notes that the type of work that has been orphaned and the type of use of a given orphan work might be relevant considerations in whatever orphan works system Congress ultimately chooses to adopt.

A. What is the “Orphan Works Problem”?

An “orphan work” may be defined as one “for which a good faith, prospective user cannot readily identify and/or locate the copyright owner(s) in a situation where permission from the copyright owner(s) is necessary as a matter of law.”¹⁹ The orphan works problem stems from this lack of knowledge about the copyright owner. Prospective users cannot determine whether a rightsholder who cannot be located has abandoned the work to any potential subsequent uses or would disapprove of a potential use of a work.²⁰ Prospective users thus find themselves between a proverbial rock and a hard place: either they use the work and risk copyright infringement liability and potential statutory damages of up to \$150,000 per work,²¹ or they choose not to use the work, thereby causing it to remain unused.²² Some uses, such as certain large-scale access

¹⁹ Copyright Office’s Federal Register Notice on Orphan Works and Mass Digitization, 77 Fed. Reg. 64555 (Oct. 22, 2012) (Docket No. 2012-12). *See also* 5-20 Nimmer on Copyright §20.03 (defining “orphan works” as “the situation where the owner of a copyrighted work cannot be identified and located by someone who wishes to make use of the work in a manner that requires permission of the copyright owner”).

²⁰ Creative Commons 2005 Comment *infra* at n. 40 at 12.

²¹ 17 U.S.C. §504 (2012).

²² “A strong copyright law encourages the creation of original works of authorship and dissemination of these works

uses by libraries, might be protected by fair use. However, many other uses, such as a use by a subsequent creator making a derivative work out of the orphan work, would be found liable under current copyright law. Since a remedy of \$150,000 per work is a significant disincentive for many users, and since there is some uncertainty in the law as to what type of use will be considered “fair” and what type will be considered infringing, many orphan works—including those works that are socially, culturally, and historically valuable—remain unused.

Copyright law attempts to motivate authors to create socially and scientifically valuable works.²³ However, that motivation fails in the case of orphan works (or more accurately, it falls on no ears at all). The Problem does not affect copyright’s goal of incentivizing authors to create socially valuable works because, in the case of orphan works, there are no known authors to incentivize. Moreover, surely it is not the goal of copyright law to deny the public the ability to benefit and learn from socially and culturally valuable works when the author claims no personal interest to the contrary. Copyright’s goal of incentivizing the creation of socially valuable works is not effectively served if society cannot benefit from their value due to a loophole in the law. That gap in the law that fosters the creation of orphan works must be filled.

B. The Orphan Works Problem Affects Many Types of Creative Works

Any type of creative work can become an orphan work. A poem, a diary, a painting, and a motion picture can all become orphan works if the copyright owner for such work is not locatable. The notion is so intuitive that it almost does not need mentioning. However, the

to the public. But if the copyright holder can’t be found, valuable works, not only in the economic sense but historically and culturally as well, can’t be exploited without a user being exposed to great legal jeopardy.” *Promoting the Use of Orphan Works: Balancing the Interests of Copyright Owners and User Before the H. Judiciary Comm.*, 110th Cong. 1 (statement of Rep. Howard Berman) (2008) (available at <http://www.copyright.gov/orphan/orphan-hearing-3-10-2008.pdf>).

²³ U.S. CONST, ART. I, SECT. 8, CL. 8.

practical implications of distinguishing the types of works are noteworthy within the context of the orphan works database system, and solving the orphan works issue in general.²⁴ Not only might the distinction between types of works affect the price of the compulsory license under such a regime, but it will also affect the practical structure and usability of the database.

C. There Are Four Distinct Types of Uses of Orphan Works

As was previously discussed, the fundamental problem posed by orphan works is would-be users' inability to use the works in a socially beneficial manner.²⁵ However, there are different types of potential uses of orphan works, and each type of use has its own significance and implications. Perhaps not every use is in fact a productive use; that is, a use that preserves the work and introduces the work to new audiences so that it may better benefit society. Specifically, the Copyright Office has identified four different categories of proposed orphan work uses: (1) uses by subsequent creators; (2) large-scale access uses; (3) enthusiast uses; and (4) private uses.²⁶ The ramifications of the types of uses of orphan works might be relevant considerations in whatever orphan works system Congress may ultimately choose to adopt.²⁷

i. Uses by Subsequent Creators

²⁴ “[A]ny proposed orphan works exemption will affect a vast array of industries and media, such as movies, music, books, and photographs. There are different physical characteristics, traditions, standards, and business practices which affect the ease of researching ownership and obtaining permissions for any given medium.” C.R.S. 7-5700, 6 (2010).

²⁵ Whether a use is socially beneficial is certainly subjective. However, in general, a socially beneficial use would be one which creates new audiences for the work, or at least creates a situation in which new audiences might discover the work.

²⁶ Copyright Office 2006 Report, *supra* n. 2 at 36-40.

²⁷ *Id.* at 36 (“[T]hese categories serve as a reference point for the discussion... on how best to remove unnecessary obstacles to productive uses of works, while preserving the interests of authors and copyright holders.”)

The first category identified by the Copyright Office is uses by subsequent creators.²⁸ Such uses loosely refer to uses by subsequent authors and creators who wish to incorporate the orphan works into their own new creative expressions.²⁹ Typical scenarios might involve an author or publisher wishing to include a photograph in a new book, or a producer who wishes to create a film version of an obscure novel.³⁰

There are a few noteworthy characteristics of this category of use. Of particular importance is that this category includes uses of orphan works that would go beyond the limits of fair use protection.³¹ Therefore, although many uses by subsequent creators may be productive and socially beneficial—and which coincide with the goals, if not the letter, of the fair use defense—under current copyright law, those uses would not be protected. Current copyright law, without a discernable protection for socially desirable uses of orphan works, thus deters many productive and socially beneficial uses of works, even in cases where the productive uses would not harm the copyright owner or her interests.³²

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.* See also, e.g., Goodman Associates Response to Copyright Office’s 2005 Notice of Inquiry (#46) (2005) (documentary about the history of postcards, where some of the postcards’ current owners are virtually not locatable because of a very convoluted chain of title); Nelson Response to Copyright Office’s 2005 Notice of Inquiry (#67) (2005) (used archival footage in a film as a student, but since he could not locate the copyright owner, was prevented from submitting his film to a film festival); Wheeler Response to Copyright Office’s 2005 Notice of Inquiry (#180) (2005) (freelance artist wanted to use old photographs whose owners were unknown in new works).

³¹ 17 U.S.C. § 107 (2012). The fair use doctrine provides an affirmative defense to copyright infringement liability for individuals who use a copyrighted work for “purposes such as criticism, comment, news reporting, teaching [...], scholarship, or research” against a finding of copyright infringement.”

³² One may presume that if an owner of a copyright is not locatable after a reasonable diligent search, then that author currently claims no interests in the work that would “promote the progress of science” and generally benefit society. Thus, intuitively, using the work in a manner that would promote the progress of science and generally benefit society, especially when such use would not impinge on any use by the copyright owner, should be both protected and encouraged. In this way, a copyright owner of an orphan work may be equated to a “sleeping owner” in the context of traditional property law’s doctrine of adverse possession (see Megan L. Bibb, *Applying Old Theories to New Problems: How Adverse Possession Can Solve the Orphan Works Crisis*, 12 Vand. J. Ent. & Tech. L. 149, 172 (2009)). The property law doctrine of adverse possession exists to ensure that property is being used in a socially desirable manner (see Jeffrey Evans Stake, *The Uneasy Case for Adverse Possession*, 89 Geo. L.J. 2419, 2436 (2001)).

It should also be noted that commercial users in this category typically incur a substantial reliance interest by using the orphan work because costs are incurred in the production and distribution of copies of the new work.³³ Therefore, commercial users in this category would tend to be highly sensitive to the risk of injunctive relief sought by a copyright owner of an orphan work who surfaces after (or perhaps because of) the creation and distribution of the subsequent creator's derivative work.³⁴ Accordingly, commercial users in this category tend to budget for costs associated with acquiring rights to use copyrighted works.³⁵ They are generally willing to pay license fees for permission to use works, and thus, at the very least, are likely more amenable than non-profit users to paying some sort of license fee, monetary damages, or other compensation to the resurfaced copyright owner.³⁶

ii. Large-Scale Access Uses

The Copyright Office uses the term “large-scale access uses” to refer to uses by institutional users who wish to make a large quantity of works available to the public.³⁷ Because this category of uses typically is done by academic or non-profit institutions (e.g., libraries, archives, or museums), a fair use affirmative defense might apply for at least some of such uses.³⁸ However, the fair use defense or other statutory exemptions from infringement may not

³³ Copyright Office 2006 Report, *supra* n. 2 at pg 36.

³⁴ *See, e.g.*, MPAA Response to Copyright Office's 2005 Notice of Inquiry (#646) (2005).

³⁵ Copyright Office 2006 Report, *supra* n. 2 at 37.

³⁶ *Id.* Specifically, the Copyright Office notes that such monetary damages or compensation might take the form of “a reasonable royalty or fair market value for on-going use of the work.”

³⁷ *Id.*

³⁸ *See, e.g.*, Authors Guild, Inc. v. Google, Inc., 954 F. Supp. 2d 282 (S.D.N.Y. 2013) (holding that the “Library Project,” part of Google’s “Google Books” program, constituted fair use when Google used newly developed scanning technology to scan more than twenty million books in their entirety so that participating libraries could download a digital copy of each book scanned from their collections).

protect every type of large-scale access.³⁹ For example, Save the Music (“STM”) is a project of the Internet Development Fund, a California 501(c)(3) non-profit organization “dedicated to the preservation of Jewish cultural music through its digitization and placement on the Internet.”⁴⁰

Among many other copyrighted works, STM wanted to digitize parts of *Yiddishe Lider*,⁴¹ a book written in Yiddish and published in Argentina shortly after World War II, which contains first-hand accounts of life in the Nazi concentration camps.⁴² STM wanted to use some of the narratives “to illustrate the range of emotions experienced by prisoners in the camps.”⁴³

Unfortunately, despite STM’s best efforts, it has been unable to locate the rightsholder for this work; the publishing house no longer exists, and STM could not locate any records indicating who, if anyone, now holds the rights to the book.⁴⁴ STM would have voluntarily secured permission, including paying a fair market license fee, to use the work if it could find the owner.⁴⁵ While a fair use defense could protect STM’s use of parts of *Yiddishe Lider* on its website, such a protection is not guaranteed.⁴⁶ STM is a small nonprofit organization that cannot risk damages if a copyright owner surfaces and it turns out that fair use would not apply. STM is thus prevented from digitizing parts of the book so as to creatively incorporate those parts into

³⁹ See Copyright Office 2006 Report, *supra* n. 2 at 122.

⁴⁰ Lawrence Lessig, et al., Save The Music and Creative Commons Response to Copyright Office’s 2005 Notice of Inquiry (#643) (Mar. 25, 2005) (available at <http://www.copyright.gov/orphan/comments/OW0643-STM-CreativeCommons.pdf>) (hereinafter “Creative Commons 2005 Comment”).

⁴¹ The phrase, “Yiddishe Lider,” translates to “Yiddish Songs.”

⁴² Creative Commons 2005 Comment, *supra* n. 40 at 4.

⁴³ *Id.*

⁴⁴ *Id.* at 5.

⁴⁵ *Id.*

⁴⁶ First, there is an inherent uncertainty in any fair use analysis, meaning that not every court will find as the Southern District of New York did in *Authors Guild*, 954 F. Supp. 2d 282 (S.D.N.Y. 2013) with respect to mass digitization. Second, STM’s use is fundamentally different from Google’s use in *Authors Guild* in several respects. Whereas Google merely created exact copies of the millions of books so that participating libraries would have digital copies of books in their collections, STM is selecting only certain parts of *Yiddishe Lider* to incorporate with other creative works to make a digital specific compilation on the Internet. STM’s use may or may not be protected as fair use. However, as a small nonprofit organization with few funds, STM cannot risk making such a use if there is a chance that the use would be technically infringing under current copyright law.

the Holocaust section of STM’s website. “It is very frustrating for STM to have a specific creative vision and realizable goals yet be restrained from pursuing them by copyright rules that benefit neither the rightsholder nor the public at large.”⁴⁷

iii. Enthusiast Uses

The Copyright Office next identifies enthusiast uses: “uses by enthusiasts of a particular work, or hobbyists or experts in a particular field.”⁴⁸ Generally, the works at issue in this category of use is of limited interest to the general public and are no longer available commercially.⁴⁹ Enthusiast users therefore would like to republish the works on a limited basis for others who share the same interest or expertise, or post these works to the Internet so that others with shared interests might enjoy and refer to the works as well.⁵⁰ “[T]he motivation for the use is not commercial, but rather in honor or celebration of the particular work or expression. As such, most of these users would likely comply with the wishes of the copyright owner if the rightful party could simply be identified.”⁵¹

iv. Private Uses

⁴⁷ Creative Commons 2005 Comment, *supra* n. 40 at 8. This situation may be contrasted with the National Yiddish Book Center, a non-profit organization, which merely digitizes and translates old Yiddish books, and would likely be protected under the holding in *Authors Guild*. See National Yiddish Book Center, <http://www.yiddishbookcenter.org> (last visited May 14, 2014).

⁴⁸ Copyright Office 2006 Report, *supra* n. 2 at 38. See, e.g., Pete Ashdown, Response to Copyright Office’s 2005 Notice of Inquiry (#48) (2005) (discussing the inability of interested archives to be able to copy and preserve old “orphaned” computer software).

⁴⁹ Copyright Office 2006 Report, *supra* n. 2 at 38-39.

⁵⁰ *Id.* at 39.

⁵¹ *Id.*

The final category identified by the Copyright Office is private uses.⁵² Private uses are uses by individuals for personal purposes.⁵³ The most common example identified by the Copyright Office is a user who wants to copy a family photograph, but the original photographer is unidentifiable or not locatable.⁵⁴ Like enthusiast users, the Copyright Office, has stated that private users generally seem to be motivated by earnest attempts to follow the law, “and often appear willing to provide some compensation to the copyright owner if that party could simply be identified.”⁵⁵

v. The Distinction Between the Types of Uses Might Not Be Clear-Cut

It should be noted that the types of uses discussed above may not be entirely distinct from one another. For instance, an enthusiast user who would like to republish an orphan work on a limited basis for others who share the same interest or expertise is similar to a private user who wishes to share a work with a select number of people.⁵⁶ In the *Yiddishe Lider* example discussed above,⁵⁷ as a large-scale access user, STM wants to compile and preserve old Jewish works by digitizing them.⁵⁸ However, the manner in which STM is compiling and preserving the works involves a level of creativity not attributable to the typical archive. STM is therefore also a subsequent creator; STM is using the orphan work in conjunction with other works⁵⁹ to create a

⁵² *Id.*

⁵³ *Id.*

⁵⁴ *Id.* See, e.g., Candida L. Grudecki, Response to Copyright Office’s 2005 Notice of Inquiry (#110) (2005) (discussing her inability to copy and enlarge an old photograph of her now deceased father to display at her wedding because the photograph was stamped with the photographer’s company name, but the company is now out of business the copyright owner of the photograph indeterminable).

⁵⁵ Copyright Office 2006 Report, *supra* n. 2 at 40.

⁵⁶ *Id.* at 39.

⁵⁷ See Creative Commons 2005 Comment *supra* n. 40 at 4.

⁵⁸ *Id.*

⁵⁹ STM wanted to pair some of the accounts in *Yiddishe Lider* with *The Partisan’s Hymn*, which STM proclaimed is “perhaps the most important Yiddish song of all time.” *Id.* at 5.

meaning different from the sum of its parts—a statement about “the indestructibility of the human spirit.”⁶⁰

Moreover, even if all uses are clearly identifiable as falling within one of the discussed categories, such distinction between types of uses might not be relevant. Arguably, if the copyright owner is non-existent or unidentifiable, and each type of use benefits the public and preserves the work in its own way, then it does not make sense to allow one type of use under an orphan works use regime, while prohibiting another type. The public benefit of reinvigorating dead works and fostering new creative works based on those old works would seem to outweigh the harm to the unknown owner. However, as has previously been discussed, the orphan works solution must adequately balance the interests of the public against the personal interests and rights of the absent copyright owner. The potential uses are all adverse to the copyright owner’s theoretical rights, though to varying degrees. Concomitantly, the types of uses are all, in their own respective ways, in the best interests of the public. Crafting the solution with the various types of potential uses in mind will ensure that the interests of the copyright owner are adequately considered against the interests of the general public.

III. HISTORICAL AND LEGAL CONTEXT OF THE ORPHAN WORKS PROBLEM

An understanding of the legal and historical context in which the orphan works problem was created and exacerbated will provide valuable touchstones as Congress navigates the difficult issues surrounding the overall problem. As U.S. copyright law has evolved in response to a shrinking international community and technological advancement, the issue of orphan

⁶⁰ *Id.* at 4.

works has continuously been cast aside as a secondary interest.⁶¹ Therefore, a workable solution to the orphan works problem must not only solve its inherent conundrum, but also comport with the laws and interests which Congress has found to be of greater importance than those implicated by the orphan works situation.

A. The Pre-1978 Copyright Regime

The drastic copyright reform codified in the Copyright Act of 1976 gave birth to the Problem as it now exists.^{62 63} Before 1978,⁶⁴ the Problem was largely nonexistent due to formality, publication, and renewal requirements.⁶⁵ Federal statutory copyright protection attached to original works only after the work was (1) published or registered on the federal register and (2) had a notice of copyright affixed to the work.⁶⁶ A copyright term lasted for 28 years, plus an additional 28 years upon renewal by the author.⁶⁷

All published works were subject to federal copyright law.⁶⁸ The legal definition of a “published” work was that work needed to have been reproduced for sale.⁶⁹ If the work was published, then the work needed to be registered with the Copyright Office.⁷⁰ The rationale behind the publication and registration requirements was that such publication and registration put the public on notice that the work was protected and unusable without the copyright owner’s

⁶¹ See, e.g., H.R. Rep. No. 94-1476, at 136 (1976), stating that “[t]he advantages of a basic term of copyright enduring for the life of the author and for 50 years after the author’s death outweigh any possible disadvantages.”

⁶² Pub. L. No. 94-553, 90 Stat. 2541 (1976).

⁶³ Copyright Office 2006 Report, *supra* n. 2 at 41

⁶⁴ The Copyright Act of 1976 took effect on January 1, 1978. Pub. L. No. 94-553, 90 Stat. 2541 (1976).

⁶⁵ Pub. Law 60-349, 35 Stat. 1075 (1909).

⁶⁶ *Id.*

⁶⁷ *Id.*

⁶⁸ *Id.*

⁶⁹ *Id.*

⁷⁰ *Id.*

permission.⁷¹ Therefore, since all federally copyrighted works were inherently tied to the author or owner due to the publication/registration requirements, any potential orphan works issue within the context of federal statutory copyright law was significantly mitigated.

It is also worth noting that the pre-1978 short duration of copyright terms (28 years plus an additional 28 years upon renewal) helped prevent an orphan works situation because chain of title was less messy than it is under the current lengthy duration of a copyright term. Shorter terms ensured that the copyright owner were more easily identified and located by any prospective users.

B. Elimination of Formalities Exacerbated the Orphan Works Problem

In order to bring the United States into the increasingly united international intellectual property community⁷² and to provide more favorable ownership parameters for copyright owners,⁷³ the Copyright Act of 1976 eliminated, *inter alia*, the publication and registration requirement for federal statutory copyright protection.⁷⁴ However, the elimination of such formalities in favor of a system wherein automatic copyright protection subsists immediately upon the fixation of a work exacerbated the orphan works issue.⁷⁵ After the implementation of the 1976 Act, without such formalities, the public no longer had notice that a work was protected

⁷¹ S. Rep. No. 1108, 60th Cong., 2d Sess. (1909).

⁷² Berne Convention for the Protection of Literary and Artistic Works, Art. 5(2) (Paris Act 1971) (hereinafter “Berne Convention” or “Berne”) (“The enjoyment and exercise of these rights shall not be subject to any formality”). *See also*, H.R. Rep. No. 94-1476, at 135 (1976) (“Without this change, the possibility of future United States adherence to the Berne Copyright Union would evaporate....”).

⁷³ *Id.* at 134 (formalities such as renewal and notice, when combined with harsh penalties like forfeiture of copyright, served as a “trap for the unwary.”)

⁷⁴ Pub. L. No. 94-553, 90 Stat. 2541 (1976).

⁷⁵ Copyright Office 2006 Report, *supra* n. 2 at 43.

by copyright.⁷⁶ If the public cannot easily obtain information about the owner of a copyrighted work, then obtaining permission to use a work becomes difficult. The longer the term of the copyright, and with it the more complicated the chain of title in the work becomes, the increasingly more difficult it becomes to identify the owner in order to obtain permission to use.⁷⁷ Thus, under the post-1978 copyright system, due to the long duration of copyright terms⁷⁸ and the lack of a central registrar, determining chain of title and current ownership of a work is more difficult than under the pre-1978 system.⁷⁹ ⁸⁰ Such conditions gives rise to the classic orphan works situation already discussed.

C. Exacerbation of the Orphan Works Problem by the Uruguay Rounds Agreement Act and *Golan v. Holder*

In 1994, Congress passed the Uruguay Rounds Agreement Act (URAA) to perfect American accession to the Berne Convention.⁸¹ The URAA gave works enjoying copyright protection in member countries the same full term of protection available to U.S. works.⁸² The URAA granted copyright protection to preexisting works of Berne member countries, protected

⁷⁶ H.R. Rep. No. 94-1476, at 136 (1976).

⁷⁷ Register of Copyrights Marybeth Peters observed: “Finding the current owner can be almost impossible. Where the copyright registration records show that the author is the owner finding a current address or the appropriate heir can be extremely difficult. Where the original owner was a corporation, the task is somewhat easier but here too there are many assignments and occasionally bankruptcies with no clear title to works.” *Copyright Term Extension: Hearing on S. 483 Before the Senate Committee on the Judiciary*, 104th Cong. 18-19 (1995) (statement of Marybeth Peters, U.S. Register of Copyrights) (hereinafter, “Peters 1995 Statement”).

⁷⁸ “A point that has concerned some educational groups arose from the possibility that, since a large majority (now about 85 percent) of all copyrighted works are not renewed, a life-plus-50 year term would tie up a substantial body of material that is probably of no commercial interest, but that would be more readily available for scholarly use if free of copyright restrictions.” H.R. Rep. No. 94-1476, at 136 (1976).

⁷⁹ Peters 1995 Statement, *supra* n. 77 at 18.

⁸⁰ It should be noted that the longer term applied to works created on or after January 1, 1978. *See* Pub. L. No. 94-553, 90 Stat. 2541 (1976). Works created before then and in the first term of copyright under the pre-1978 law were still subject to the renewal requirement until 1992, when renewal for those works was made automatic by statute. *See generally* Copyright Renewal Act of 1992, title I of the Copyright Amendments Act of 1992, Pub. L. No. 102-307, 106 Stat. 264 (1992).

⁸¹ *Golan v. Holder*, 132 S. Ct. 873, 877 (2012).

⁸² Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 (1994).

in their country of origin, but unprotected in the United States for any of three reasons: The United States did not protect works from the country of origin at the time of publication; the United States did not protect sound recordings fixed before 1972; or the author had failed to comply with U.S. pre-1978 statutory formalities.⁸³ The primary concern with the URAA came to a head in *Golan v. Holder*,⁸⁴ when orchestra conductors, musicians, publishers, and others who formerly enjoyed free access to works before the URAA removed the works from the public domain challenged the URAA's reinstatement of such works' copyrights.⁸⁵ A majority of the United States Supreme Court affirmed the validity of the URAA.

By reinstating, or providing for the first time, copyright protection to such works created abroad—works which had previously been in the public domain in the United States—Congress exacerbated the Problem. The URAA created numerous new orphan works because a prospective user, even one who had formerly enjoyed free use of the work before the URAA's implementation (and perhaps even relied on such free use), now needs to track down the owner and obtain permission. The problem is that determining chain of title and copyright ownership in many of the once public domain works is impractical, if not virtually impossible.⁸⁶ Therefore, without the realistic ability to obtain permission from the copyright owners to use many of the works covered by the URAA, a large number of works that were once in the public domain now remain unused and their social, cultural, educational, and artistic value remains untapped.

D. The Sonny Bono Copyright Term Extension Act of 1998 and *Eldred v. Ashcroft*

⁸³ *Golan v. Holder*, 132 S. Ct. at 877-78.

⁸⁴ *Id.* at 878.

⁸⁵ *Id.*

⁸⁶ *Id.* at 900 (Breyer, J. dissenting) (citing as an example the high cost—over \$1 million—to the University of Michigan and the Institute of Museum and Library Services to determine the copyright status of books contained in the HathiTrust Digital Library for works published in the United States from 1923-1963).

The passage of the Sonny Bono Copyright Term Extension Act of 1998 (CTEA)⁸⁷ again worsened the Problem because it created further uncertainty regarding chain of title in many more works. Its retroactive extension of the term of protection covering works that had previously entered the public domain created a confusing situation wherein copyright owners of works that were more than fifty but less than seventy years past the life of the author might accidentally abandon their works, thinking that such works now belong to the public. Moreover, it exacerbated the commonly discussed concern that protection long past the life of the author only harms the public and hinders the effective preservation of most copyrighted works.⁸⁸

E. Exacerbation of the Problem by Technological Advances in the Internet

A major benefit of the Internet is the ability to place on the Internet (“digitize”) old and decaying works that would otherwise be lost to the ages. But the ease of such digitization,⁸⁹ has brought the orphan works problem to a head. Increasingly more orphan works are being used due to the relative ease with which they may be uploaded, digitized, and located on the Internet.⁹⁰

Moreover, the process of digitization can actually create confusion as to the owner of a given work. People may publish a work on the Internet without crediting the copyright owner. There is thus a greater likelihood that orphan works will be created even by a digitization effort

⁸⁷ Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, 112 Stat. 2827 (1998).

⁸⁸ *See, e.g.*, H.R. Rep. No. 94-1476, at 136 (1976). In addition to harmonizing the United States and European Union baseline copyright terms, members of Congress maintained that an increase in human longevity and in parents’ average age when their children are born necessitated longer copyright duration in order to secure “the right [...] to take pride and comfort in knowing that one’s children—and perhaps their children—might also benefit from one’s posthumous popularity.” 141 Cong. Rec. 6553 (1995) (statement of Sen. Feinstein). The point of this paper is not to refute the rationality of the CTEA or any of Congress’s other enactments that exacerbated the orphan works issue. Rather, the point of this paper is to present a viable solution to the Problem that will adhere to current U.S. copyright law and philosophy.

⁸⁹ Consider, for instance, how Google digitized nearly 20 million complete books for its Google Books project. *See* Authors Guild, 954 F. Supp. 2d at 285.

⁹⁰ *Legal Issues in Mass Digitization: A Preliminary Analysis and Discussion Document*, Office of the Register of Copyrights, Appendix C (2011).

with noble motives.⁹¹ However, such technological endeavors which exacerbate the problem also highlight the need for the law to adapt to such technological advances, and even to embrace them.

F. Existing Protection for Orphan Works in Current Copyright Law

While U.S. copyright law does not contain a specific provision addressing all orphan works, it does contain a few provisions that permit users to make certain uses of certain types of orphan works. These existing copyright laws can serve as guides that might be helpful in the development of comprehensive orphan works legislation.⁹²

i. Section 108(h)

§108(h) of the Copyright Act was enacted as part of the Sonny Bono Copyright Term Extension Act of 1998.⁹³ It was “intended to ameliorate the effects that the 20-year extension of term might have on libraries and archives in their older works.”⁹⁴ This subsection of the copyright statute allows libraries and archives, upon “a reasonable investigation,” to “reproduce, distribute, display or perform in facsimile or digital form” a copy of a work without permission if the work is not subject to normal commercial exploitation and is not obtainable at a reasonable price.⁹⁵ While this section does help mitigate the Problem to a small degree, it does not solve it and it does not apply solely to orphan works. The primary focus of this subsection should be the

⁹¹ For instance, an Internet user discovers an old, but still copyrighted, poem and posts it online. This alone is copyright infringement. But when he does not give credit to the author, he creates an environment that fosters further copying of the work. Subsequent users of that poem on the Internet would be unable to locate the poem’s copyright owner because the name that was affixed to the original hard copy is only known by the initial infringer that first digitized the work.

⁹² Copyright Office 2006 Report, *supra* n. 2 at 44.

⁹³ Pub. L. No. 105-298, 112 Stat. 2827 (1998).

⁹⁴ Copyright Office 2006 Report, *supra* n. 2 at 45

⁹⁵ 17 U.S.C. §108(h) (2012).

requirement of a “reasonable investigation” (though “reasonable investigation” is not actually defined in the statute). As will be discussed later in this paper, the notion of a reasonable investigation, if adequately defined and properly implemented, should be at the center of an orphan works use provision.

ii. Section 115(b)⁹⁶

Section 115(b) of the Copyright Act sets out a compulsory license regime to allow any member of the public to create musical covers of copyrighted songs.⁹⁷ This is to say that section 115 permits any person to distribute records of, or perform, a nondramatic musical work when records of that musical work have previously been distributed to the public in the United States with the authority of the copyright owner,⁹⁸ subject to certain limitations.⁹⁹ One limitation, for instance, is that the cover is allowed only if the user’s primary purpose in making the cover is to distribute it to the public for private use.¹⁰⁰ In order to obtain the compulsory license, the prospective user must serve notice to the copyright owner of her intention to use the work.¹⁰¹

However, “[i]f the registration or other public records of the Copyright Office do not identify the copyright owner and include an address at which notice can be served, it shall be sufficient to file the notice of intention in the Copyright Office.”¹⁰² Therefore, a prospective user of a musical work may use the work for the purpose of making a cover even if the copyright owner does not have actual knowledge of such use. In fact, the owner of the musical work “must be identified in the registration or other public records of the Copyright Office” in order to

⁹⁶ 17 U.S.C. §115(b) (2012).

⁹⁷ *Id.*

⁹⁸ *Id.*

⁹⁹ *Id.*

¹⁰⁰ *Id.*

¹⁰¹ *Id.*

¹⁰² 17 U.S.C. §115(b)(1) (2012).

receive any royalties under the license.”¹⁰³ Thus a prospective user of an orphan musical work is not even required to pay the compulsory license fee until the owner steps forward and registers the work with the Copyright Office, causing the work no longer to be an orphan work.

Two principles may be gathered from this subsection. First, serving the Copyright Office notice of intent to use a work sufficiently balances the policy interests of protecting the rights of the owner against the interests of the public to make certain socially productive uses of copyrighted works. This suggests that there are some compelling interests, such as the ability of the public to make and distribute musical covers (or perhaps to use orphan works), which outweigh certain individual rights of copyright owners. One might then be able to draw parallels between this compulsory license scheme for musical covers and a compulsory license scheme for orphan works, whereby the not locatable owners are served constructive notice of the use by the prospective user serving notice to the Copyright Office.

A second crucial piece of the musical cover compulsory license provision is the manner in which it creates immunity for users of copyrighted works who are granted the license under this subsection. Any regime that grants a user a compulsory license to the use an orphan work must also protect that user from future liability, so long as the user has complied with the statutory provisions of that compulsory license regime.

iii. Section 504(c)(2)

While Section 504(c)(1) of the 1976 Act provides the standard range for statutory damages, section 504(c)(2) provides for adjustments to that range. For instance, section 504(c)(2) dictates that a court deny statutory damages when an infringer reasonably believed that

¹⁰³ 17 U.S.C. §115(c)(1) (2012).

his or her use of the copyrighted work was a fair use if the infringer was an employee of a nonprofit educational institution, library, or archive and was acting within the scope of his or her employment.

Section 504(c)(2) can thus benefit some prospective users of orphan works, such as libraries that contemplate uses for which they have reasonable grounds to believe are fair uses. This subsection serves as an extant justification for making an orphan works limitation on damages, because it encourages use of works by reducing infringement exposure in situations where the user lacks certain information. This subsection and the orphan works standard to be discussed in Section IV, *infra*, also implicates the notion of reasonableness.

iv. Termination Provisions: Sections 203, 304(c), and 304(d)

Though sections 203, 304(c), and 304(d) do not explicitly address the issue of orphan works, they do provide a helpful model for how to approach situations in which a person with an interest in the work cannot be located. Section 203 gives the author of a work a right, subject to certain exceptions, to terminate a grant of a transfer or license of a copyright in the work under certain conditions and at a certain time.¹⁰⁴ Section 304(c) provides a right to terminate the transfer of the renewal copyright of a work that was in its first or renewal term on January 1, 1978.¹⁰⁵ Section 304(d) outlines a similar right to terminate a transfer of the additional 20 years of protection provided by the Sonny Bono Copyright Term Extension Act.¹⁰⁶

These termination provisions become relevant to the orphan works situation when the grantee or her successor has become not locatable between the time of the grant and the time

¹⁰⁴ 17 U.S.C. §203 (2012).

¹⁰⁵ 17 U.S.C. §304(c) (2012).

¹⁰⁶ 17 U.S.C. §304(d) (2012).

prescribed for serving the notice of termination.¹⁰⁷ Under each of those three sections (sections 203, 304(c), and 304(d)), if an author or other terminating party makes a reasonable investigation as to the current ownership of the rights being terminated, and after the investigation, is unable to locate the grantee or the grantee's successor in title, then notice of termination is deemed served on the grantee or such successor in title.¹⁰⁸ The regulation defines "reasonable investigation" to include, though it is not limited to, "a search of the records in the Copyright Office."¹⁰⁹ The terminating party may serve the grantee (or grantee's successor) notice at an address "which, after a reasonable investigation, is found to be the last known address of the grantee or successor in title."¹¹⁰ These termination provisions establish the concept of "reasonable investigation" by the author as a prerequisite to terminating the rights of a copyright rights holder. The provisions also demonstrate the manner in which notice of such termination of rights may be constructively served to copyright holders who are not locatable or unascertainable. The concepts presented by these termination provisions might be helpful in constructing a proposal for orphan works.

IV. VARIOUS SUGGESTED APPROACHES TO SOLVING THE ORPHAN WORKS PROBLEM

Throughout the past decade, many approaches have been suggested to solve the orphan works problem.¹¹¹ However, as will be discussed in this section, due to some fundamental shortcoming in each case, the approaches did not adequately maintain a balance between the rights of the copyright owner and the rights of the general public. Nonetheless, some of the

¹⁰⁷ Note that at earliest, termination can occur 25 years after the execution of the grant under section 203, 46 years after the copyright was originally secured under 304(c), and 65 years after the copyright was originally secured under section 304(d). *See* 17 U.S.C. §203 (2012); 17 U.S.C. §304(c)-(d) (2012).

¹⁰⁸ 37 C.F.R. §201.10(d)(2).

¹⁰⁹ 37 C.F.R. §201.10(d)(3).

¹¹⁰ 37 C.F.R. §201.10(d)(1).

¹¹¹ *Orphan Works and Mass Digitization; Request for Additional Comments and Announcement of Public Roundtables*, 79 Fed. Reg. 7707 (Feb. 10, 2014).

approaches could provide valuable guidance in how to structure a pragmatic and balanced solution to the Problem.

A. The Lessig Solution and the Public Domain Enhancement Act

Generally, there are two types of potential solutions to the orphan works problem: a proactive solution or a reactive solution. A reactive solution is one which allows the user of an orphan work to defend herself from a surfacing copyright owner who seeks a remedy for such use (for example, an orphan works affirmative defense or limited monetary damages).

Conversely, a proactive solution protects a use of an orphan work from violating any law in the first instance (that is, there is no need for an affirmative defense because the use of the orphan work violated no law).

Stanford law professor Lawrence Lessig was one of the first academics to address the orphan works issue by proposing a proactive solution. In 2003, Lessig proposed creating a new copyright formality to solve the Problem.¹¹² He suggested “requiring copyright holders to pay a tax 50 years after a work was published” in order to enjoy continued copyright protection for the remainder of the normal copyright term.¹¹³ Moreover, when a copyright owner pays the tax, the government would record such payment, along with the copyright owner’s contact information, in a register so that someone wishing to license the work could easily find the copyright owner.¹¹⁴ However, if the copyright holder has not paid the tax for three years, then it enters the

¹¹² Lawrence Lessig, FREE CULTURE 222-23 (2004). Professor Lessig updated and expounded on his proposal in 2004. His proposal was adapted to create the proposed Public Domain Enhancement Act (PDEA), which was ultimately rejected in the House.

¹¹³ Lawrence Lessig, Protecting Mickey Mouse at Art’s Expense, N.Y. Times, Jan. 18, 2003, at A17. In 2004, Lessig clarified the tax would be \$1 per work. See LESSIG, FREE CULTURE, *supra* n. 115 at 249.

¹¹⁴ Lessig, Protecting Mickey, *supra* n. 116.

public domain.¹¹⁵ Thus, presumably, if a work is over fifty years old and is not listed on the government's register, then the work is in the public domain.

While Lessig's approach would effectively eliminate the Problem, it would do so by reintroducing essentially the same formality problem that Congress in 1976 decided was more serious than the creation of orphan works.¹¹⁶ Lessig's approach recreates a formality that a copyright holder must perform in order to enjoy a full copyright term.¹¹⁷ The imposition of any formality as a precondition to the enjoyment of a full copyright term violates provisions of the Berne Convention.¹¹⁸ Lessig's approach would create a formality requirement after fifty years from the creation of the work, and would create a barrier to the enjoyment a full copyright term of seventy years past the life of the author. Such a violation of Berne would undermine the work that Congress has done to implement Berne and join the international copyright community.¹¹⁹ While the orphan works issue is important, it is certainly not worth throwing those efforts out the window.

In the same vein, because of the tax and registration formalities, Professor Lessig's approach insufficiently protects copyright owners from adverse uses. Though the public would benefit from renewed access to orphan works, it would be at the sacrifice of the rights which Congress and Berne have deemed so valuable that they must be inherently protected (i.e., a certain, long duration without any obstacles to achieving it). Ultimately this proposal, like many

¹¹⁵ *Id.*

¹¹⁶ See House Report 1976.

¹¹⁷ Lessig suggested that this proposal would technically comply with Berne because it created no formality as a precondition to *creation* of copyright, since the work would already have been created by the time the formality became a requirement. FREE CULTURE, *supra* n. 115 at 223.

¹¹⁸ 25 U.S.T. 134, art. 5(2). The Berne Convention defines a full copyright term as no less than "life of the author and fifty years after his death." *Id.* at art. 7(1), 7(6).

¹¹⁹ See *e.g.*, Jerry Brito and Bridget Dooling, *An Orphan Works Affirmative Defense to Copyright Infringement Actions*, 12 MICH. TELECOMM. TECH. L. REV. 75, 89 (2005).

others that have been proposed throughout the past decade,¹²⁰ was flawed because its adoption would risk the United States' membership in Berne and also did not sufficiently balance the needs of the public to be able to use orphan works against the fundamental rights of the copyright owner.

B. Orphan Works Affirmative Defense or Limitations on Remedies

Unlike the proactive Lessig solution discussed above, this subsection addresses the possibility of a reactive orphan works solution. Instead of trying to create some system that would effectively and proactively eliminate the orphan works problem at the source, some scholars have proposed a less extreme, more reactionary approach in an affirmative defense, or at least limited remedies.¹²¹ For instance, a user of an orphan work who is subsequently sued by the reappeared copyright holder might have an affirmative defense or limited remedies if she can demonstrate some set of criteria, such as, that she performed a “reasonably diligent search,” however the term is defined, to find the copyright owner, and perhaps also provided “reasonable attribution” to the author and copyright owner on the work.¹²²

¹²⁰ See, e.g., Christopher Sprigman, *Reform(aliz)ing Copyright*, 57 STAN. L. REV. 485 (2004) (proposing “new-style” formalities—such as requiring registration for one to enjoy exclusive rights in one’s work—which would comport with the phrasing, if not the spirit, of the Berne Convention); see also Creative Commons 2005 Comment *supra* n. 40 (suggesting registration and renewal requirements to ensure that a work does not become subject to a compulsory license for the remainder of the copyright term).

¹²¹ See, e.g., Brito, *supra* n. 119 at 75 (calling for an orphan works affirmative defense akin to the fair use affirmative defense); Lydia Pallas Loren, *Orphan Works & Mass Digitization: Obstacles & Opportunities: Abandoning the Orphans: An Open Access Approach to Hostage Works*, BERKELEY TECH. L. J. 1431 (2012) (calling for limited immunity of those who make productive uses of orphan works); Ariel Katz, *Orphan Works & Mass Digitization: Obstacles & Opportunities: The Orphans, the Market, and the Copyright Dogma: A Modest Solution for a Grand Problem*, BERKELEY TECH. L. J. 1431 (2012) (suggesting that damages and injunctive relief be limited based on case-specific circumstances such as the characteristics of the user, the nature of the use, the availability of search tools to find the copyright owner, etc.); see also Copyright Office 2006 Report, *supra* n. 2 at 115 (suggesting limitations on remedies if a user of an orphan work demonstrates that she performed a “reasonably diligent search” and provided “reasonable attribution” to the author and copyright owner).

¹²² See Katz *supra* n. 121; see also Copyright Office 2006 Report, *supra* n. 2 at 96.

A reactive approach such as an affirmative defense or limited remedies is appealing for a number of key reasons. First, unlike a proposal to reintroduce formalities as a prerequisite to the full enjoyment of exclusive copyrights for the entire term, such reactive approaches would be relatively easy to implement. It would not require a fundamental restructuring of modern copyright law (and a regression to a regime similar to the pre-1976 regime); it would merely require the addition of an exception to the modern copyright statute.

Second, implicit in such a rule is that it would not require a system that would violate the Berne Convention. Exclusive copyrights for an entire term would not be contingent on the completion of some formality. Instead, the exclusive rights of a copyright owner would simply rest on the owner not abandoning the work and remaining reasonably locatable. Moreover, reactive solutions such as an affirmative defense or lessened remedies are appealing because they attempt to strike the necessary balance between the rights of copyright owners and the public interest.¹²³ Such solutions create a lesser burden on copyright owners to maintain exclusive rights in their works and simultaneously benefit the public by not punishing users of orphan works who performed a reasonably diligent search.

The problem with a reactive solution, however, is not that they fail to strike a balance between copyright owners and the general public, but rather that such reactive solutions, standing on their own, would not be practical to implement. Proving that a user made a reasonably diligent effort to locate a copyright holder sounds fine in theory but, without an effective mechanism of determining whether such an effort was made, the affirmative defense would be impracticable in reality. A statute that tells prospective users to make a “reasonably diligent effort” to find a copyright owner, and that if they do not meet that standard, that they

¹²³ It should be noted that this is very similar to the fair use affirmative defense laid out in 17 U.S.C. §107 (2012).

will be liable for damages in a law suit at some indeterminable time in the future if the owner ever surfaces, does not adequately incentivize productive uses of orphan works.

First, it might be very difficult for a user of an orphan work to effectively prove that she performed a reasonably diligent search when the copyright owner ultimately surfaces and sues, perhaps decades after the user made the search. Moreover, if “reasonably diligent search” is defined according to a standard as in other areas of law, the uncertainty surrounding whether a given use of an orphan work is reasonable could chill productive uses altogether. Any test where the outcome is relatively uncertain for a prospective user will simply deter that prospective user from making the use. However, if “reasonably diligent search” is defined according to a checklist of criteria that a prospective user must undergo, then that standard risks ruining the balance between copyright owner and the public benefit. An underinclusive list of criteria would inadequately protect the rights of the copyright owner. Conversely, a lengthy list of criteria might chill an undesirably high amount of productive uses and would also favor users with more resources than those without.

Furthermore, even if a user could confidently prove that it made a reasonably diligent effort, since a “reasonably diligent search” is most likely a question of fact, a successful assertion of an orphan works affirmative defense (or a limitation on remedies) would often only be after a lengthy and costly trial. The potential costs of such a trial would further chill productive uses of orphan works. An orphan works solution that chills productive uses of orphan works by all who are unable or unwilling to risk a lengthy legal battle is not much of a solution. A great deal of socially valuable works will remain unused and will not find new audiences.

C. Government-Granted Compulsory Licenses of Orphan Works

Canada’s approach to orphan works, while not entirely transplantable into the American copyright system, could provide valuable guidance. According to Canada’s Copyright Act, anyone who wishes to use a public work and cannot locate the copyright owner after making “reasonable efforts” to do so may petition the Canadian Copyright Board for a license to use the work.¹²⁴ Reviewing the petition, the Copyright Board determines whether the prospective user has made sufficiently reasonable efforts to locate the owner.¹²⁵ If the Board decides that a reasonable effort was made, then the Board may grant a non-exclusive license for the proposed use, and immunity from any potential infringement liability upon the reappearance of the copyright owner.¹²⁶ The Board sets the terms and fees for the proposed use of the work at its discretion.¹²⁷ Royalty fees collected by the Board are held in a fund from which the copyright owner, if she surfaces and makes a claim within five years, can be paid.¹²⁸

In 2013, the United Kingdom passed similar orphan works legislation in the Enterprise and Regulatory Reform Act (ERRA).¹²⁹ While the effectiveness of the recently passed ERRA’s

¹²⁴ Copyright Act, R.S.C., ch. C-42, s. 77 (Can.) (1985).

¹²⁵ *Id.* s. 77(1).

¹²⁶ *Id.* s. 77(2).

¹²⁷ *Id.*

¹²⁸ *Id.* s. 77(3)

¹²⁹ ERRA s. 77(3) (UK) (2013). The relevant portion of the ERRA reads as follows:

By subsection (1), the Secretary of State may by regulations provide for the grant of licences [*sic*] in respect of works that qualify as orphan works under the regulations. Such regulations:

1 may specify a person or a description of persons authorised to grant licences; and

2 must provide that for a work to qualify as an orphan work it is a requirement that the owner in it has not been found after a diligent search made in accordance with the regulations;

3 may provide for the granting of licences to do, or authorise the doing of, any act restricted by copyright that would otherwise require the consent of the missing owner;

4 must provide for any licence to have effect as if granted by the missing owner; not to give exclusive rights; not to be granted to a person authorised to grant licences;

5 may apply to a work although it is not known whether copyright subsists in it, and references to a missing owner and a right or interest of a missing owner are to be read as including references to a supposed owner and a supposed right or interest.

implementation are still largely unknown, the Act's passage is noteworthy. An increasing number of countries have adopted licensing schemes like Canada's to solve their respective orphan works problems.¹³⁰ The trend in the international copyright community seems to be one of state-mandated licenses to use orphan works. A government-granted compulsory licensing scheme therefore might be particularly appealing as an orphan works solution.

A significant benefit of the above government-granted licensing schemes is the manner in which they incorporate a "diligent investigation" or "reasonably diligent investigation" standard.¹³¹ Setting a standard of proving some sort of diligent investigation as a threshold to the ability to use an orphan work more sufficiently protects the interests of a copyright owner than does a system that tries to implement that standard as a defense to be proven after the use (*see* Sects. III.B-C, *supra*). The reasonably diligent search is a barrier to the user's ability to use an orphan work legally. The Copyright Board will weed out those prospective users that do not meet the "reasonably diligent search" standard (whatever they hold that standard to be in that particular case), whereas asserting the reasonably diligent search as a defense after the fact creates unnecessary litigation for both parties.

Furthermore, a prospective user's only harms in petitioning the Copyright Board for a non-exclusive license are the costs associated with undertaking a reasonably diligent search to locate the copyright owner—an act that would be expected of any prospective user of a copyrighted work, whether orphan or not—and the costs associated with filing a petition with the Copyright Board, a procedure significantly less expensive than the cost of litigation. Because the risks associated with performing a reasonably diligent search and thus being granted a non-

¹³⁰ *See, e.g.*, India Copyright Act, Art. 31(a) (1999); Japan Copyright Act, Art. 67 (1998); Republic of Korea Copyright Act, Art. 47 (2009).

¹³¹ *See* Copyright Act, R.S.C., ch. C-42, s 77(1) (Can.) (1985); ERA s. 77(2) (UK) (2013).

exclusive license in an orphan work are relatively minimal, productive uses of orphan works will not be chilled under this system.

However, while “reasonably diligent investigation,” as prescriptively determined by the Copyright Board, helps copyright owners protect their works (they need merely to be reasonably locatable), such licensing systems, as they are implemented by Canada, the United Kingdom, and other nations, inadequately protect the interests of the copyright owner after the grant of the license. Under a licensing scheme, the burden remains on the copyright owner to search for adverse uses. However, a copyright owner whose work has been deemed orphaned by the Copyright Board and consequently licensed to a third-party user is prevented in practice from ever claiming her work. With the clock ticking on a copyright owner’s ability to collect the royalties, the five-year deadline might elapse before the licensee has been able to adequately distribute or display the work to the public in a manner that would give the surfacing owner any indication that her work is being used.¹³² If a copyright owner is, as a matter of practice, unable to collect the royalties under the license, then the interests of the copyright owner are insufficiently balanced against the public utility of such licenses.

D. 2008 Orphan Works Legislation

Most recently, in 2008, Congress attempted to solve the orphan works problem with the Shawn Bentley Orphan Works Act of 2008 proposed in the Senate and the Orphan Works Act of 2008 proposed in the House of Representatives.¹³³ Under the House’s Bill (H.R. 5889), use of an

¹³² By creating the five-year deadline, Canada chose to tip the balance between the rights of the copyright holder and the rights of the public in favor of the public. Five years may not be sufficient time to warn an unknowing copyright owner that her work is being used by a third party.

¹³³ Shawn Bentley Orphan Works Act of 2008, 110 S. 2913 (2008); Orphan Works Act of 2008, 110 H.R. 5889 (2008). Though the Senate passed S. 2913 and referred it to the House of Representatives, the House took no action

orphan work would still be considered copyright infringement.¹³⁴ However, the remedies for such an infringement, if the user of the orphan work satisfied the requirements of the Bill, would be limited.¹³⁵ Monetary relief would be limited to “reasonable compensation” to the owner of the exclusive right in the work¹³⁶ and injunctive relief would be limited to any future uses (as well as required attribution to the owner, if requested by such owner).¹³⁷ Moreover, H.R. 5889 would have provided safe harbor from infringement liability to nonprofit educational institutions, libraries, archives, and public broadcasting entities if such users proved that “(i) the infringement was performed without any purpose or direct or indirect commercial advantage; (ii) the infringement was primarily educational, religious, or charitable in nature; and (iii) after receiving notice of the claim for infringement, and after conducting an expeditious good faith investigation claim, the infringer promptly ceased the infringement.”¹³⁸

To qualify for the limited remedies under H.R. 5889, a prospective user of an orphan work must make a “diligent effort to locate the owner of the work.”¹³⁹ The House Bill guides courts in determining whether a search is “diligent” by advising them to consider whether the search was reasonable under the facts of the case, whether the infringer employed the applicable best practices as determined by the Register of Copyrights, and whether the infringer performed the search before, but reasonably proximate to, the commencement of using the work.¹⁴⁰ To help guide prospective users of orphan works, the House Bill provided a list of “best practices,”

on S. 2913 and H.R. 5889 did not make it out of the House Judiciary Committee before the end of the 110th Congress. C.R.S. 7-5700, 12 (2010).

¹³⁴ 110 H.R. 5889, §2 (2008).

¹³⁵ *Id.*

¹³⁶ 110 H.R. 5889, §2(b)(4)(c)(1)(A) (2008).

¹³⁷ 110 H.R. 5889, §2(c)(2)(B)(i-iii) (2008).

¹³⁸ 110 H.R. 5889, §2(c)(1)(B)(i-iii) (2008). Note that the Senate’s Bill was amended to include museums, in addition to such entities listed above. 110 S. 2913, §2(c)(1)(B) (2008).

¹³⁹ 110 H.R. 5889, §2(b)(2)(A)(i) (2008).

¹⁴⁰ 110 H.R. 5889, §2(b)(2)(A)(ii)(I-III) (2008).

which the Register of Copyrights would maintain and make available to the public.¹⁴¹

Additionally, the House Bill directs the Register of Copyrights to create and maintain a “Notice of Use Archive,” wherein prospective users must list the orphan works before using them.¹⁴²

Specifically, each filing in the House’s proposed archive would include (1) the type of work being used, according to the categories listed in section 102(a) of the copyright statute,¹⁴³ (2) a description of the work; (3) a summary of the diligent search conducted in good faith to find the copyright owner; (4) if known, the owner, author, recognized title, and other available identifying element of the work; (5) a certification that the infringer performed a qualifying search in good faith to locate the owner of the infringed copyright; and (6) the name of the infringer and how the work will be used.¹⁴⁴ This “dark archive”¹⁴⁵ would be non-public, and essentially only searchable by copyright owners in litigation during discovery.¹⁴⁶

Also particularly noteworthy in the House Bill is the establishment of a database system for “pictorial, graphic, and sculptural works.”¹⁴⁷ H.R. 5889 directs the Register of Copyrights to create a certification process for electronic databases “to facilitate the search for [copyrighted] pictorial, graphic, and sculptural works.”¹⁴⁸ The House’s proposed databases would aspire to contain all pictorial, graphic, and sculptural works currently protected by copyright.¹⁴⁹

¹⁴¹ 110 H.R. 5889, §2(b)(2)(B)(i) (2008).

¹⁴² 110 H.R. 5889, §2(b)(3) (2008).

¹⁴³ In relevant part, section 102(a) lists the following categories: (1) literary works; (2) musical works, including any accompanying words; (3) dramatic works, including any accompanying music; (4) pantomimes and choreographic works; (5) pictorial, graphic, and sculptural works; (6) motion pictures and other audiovisual works; (7) sound recordings; and (8) architectural works. 17 U.S.C. §102(a) (2012).

¹⁴⁴ *Id.*

¹⁴⁵ Chris Castle and Amy E. Mitchell, “Feature: Now Showing!: Entertainment & Sports Law: Orphan Works Legislation,” 71 *Tex. B. J.* 744, 745 (2008).

¹⁴⁶ *Id.*

¹⁴⁷ *See* 110 H.R. 5889 §3.

¹⁴⁸ *See* 110 H.R. 5889 §3(a)(1).

¹⁴⁹ Castle *supra* n. 145 at 746.

The Senate's orphan works bill (S. 2913) was very similar to the House's bill, but it did away with both the Notice of Use Archive and the general requirement that a prospective user report a notice of use with the Copyright Office prior to using the work.¹⁵⁰ S. 2913 also proposed establishing a system of certifying databases of copyrighted pictorial, graphic, and sculptural works. However, the Senate Bill seemed to be more skeptical of the mere existence of such databases, directing the Register of Copyrights to "undertake a process to certify that there exist and are available [such] databases" and will only certify such databases so long as they are "determined to be effective and not prohibitively expensive and include the capability to be searched using 1 [*sic*] or more mechanisms that allow for the search and identification of a work by both text and image and have sufficient information regarding the works to enable a potential user of a work to identify or locate the copyright owner"¹⁵¹

The 2008 bills were praised for what they attempted to do in theory, but were criticized for what they failed to do in practice.¹⁵² The 2008 legislation attempted to restore "much needed balance in copyright law" by serving the public interest while aiming to sufficiently protect the rights of copyright owners.¹⁵³ Both bills follow Canada's lead and adopt a "reasonably diligent investigation" standard as a precursor to using an orphan work (though the bills differ from Canada in that the standard is not an absolute barrier to use). The reasonably diligent search for the copyright owner, in theory, would protect the interests and rights of a copyright holder because failure to perform a sufficiently diligent search would lead to full liability and the full scope of damages available under the copyright statute. Furthermore, in theory, the bills are

¹⁵⁰ See generally, 110 S. 2913, §2(b)(2) (2008).

¹⁵¹ 110 S. 2913 §3 (2008).

¹⁵² David Kravets, 'Orphan Works' Copyright Law Dies Quiet Death, WIRED (Sept. 30, 2008, 2:50 PM), <http://www.wired.com/2008/09/orphan-works-co/>.

¹⁵³ *Id.*

praiseworthy in their efforts to utilize available technologies and the Internet to help clear confusion surrounding the status of copyrighted works in their proposed “section 3” databases.

However, as admirable as the 2008 legislation was in theory, it became clear that the way the bills were phrased made them impracticable and ultimately left all parties involved—copyright owners and prospective users, alike—unhappy, uneasy, and uncertain about the implications if such legislation were passed.¹⁵⁴ First, the 2008 legislation insufficiently protected the rights of copyright owners.¹⁵⁵ The House’s proposed “notice of use archive” did nothing to actually serve copyright owners notice that their works were being used as “orphan works.” Moreover, the vague “reasonably diligent search” standard (essentially, to be later determined according to the “best practices” to be outlined by the Registers of Copyright) did not inform copyright holders what they would need to do to adequately protect their works from being deemed orphan works.¹⁵⁶

The uncertainty surrounding what constitutes a “reasonably diligent search” would lead to lengthy and costly litigation where the benefit to the copyright owner might ultimately only be minimal (that is, reasonable compensation). The potential costs to both parties simply by pursuing litigation might outweigh any benefits of winning in litigation. Furthermore, “[b]ecause there is no practical way to search for visual art, the end result is that the majority of visual artwork is likely to be deemed orphaned. In other words, as far as visual art is concerned, today almost any search is likely to be deemed diligent even if it has no chance of actually

¹⁵⁴ *Id.* See also, Chris Castle, *The Return of Orphan Works: A Review of the 2008 Shawn Bentley Orphan Works Act Part I*, MUSIC TECHNOLOGY POLICY (Dec. 8, 2012), <http://musictechpolicy.wordpress.com/2012/12/08/the-return-of-orphan-works-a-review-of-the-2008-shawn-bentley-orphan-works-act/>; Lawrence Lessig, *Little Orphan Works*, NEW YORK TIMES (May 20, 2008), http://www.nytimes.com/2008/05/20/opinion/20lessig.html?_r=2&oref=slogin&.

¹⁵⁵ Castle, *The Return of Orphan Works*, *supra* n. 154.

¹⁵⁶ *Id.*

identifying the copyright owner.”¹⁵⁷ The vague “diligent search” standard would potentially increase the number of infringers of non-orphan works since the cost of infringing is not too great, and copyright owners must take more measures to protect their work than before the bill’s potential enactment.¹⁵⁸

Ultimately, the 2008 orphan works legislation did not pass. However, the failed legislation will provide valuable guidance in the construction of a new orphan works legislative solution.¹⁵⁹ In 2008, Congress identified a well-balanced approach to the orphan works solution in the “reasonably diligent search” standard, even if it did not adequately define the term. Furthermore, Congress recognized the availability of technologies to strengthen copyright protection, to preserve and naturally enhance the public domain, and to facilitate the “progress of science.” If contemporary orphan works legislation can build on those principles, then it might achieve the solution in practice that the 2008 legislation encompassed in theory.

V. PROPOSAL: AN AUDIO-VISUAL “NOTICE-OF-USE DATABASE”

The foregoing sections provide touchstones to essential elements of a practicable orphan works system. A viable solution to the orphan works problem will adequately balance the public’s interests in preserving and revitalizing socially valuable works with the interests of copyright owners in protecting their works from unwanted uses. At least part of that solution should entail a well-defined “reasonably diligent search” standard as a precursor to use of an

¹⁵⁷ Testimony of Corinne P. Kevorkian, House Judiciary Committee Hearing pp. 44.

¹⁵⁸ Lessig, *Little Orphan Works*, *supra* n. 154.

¹⁵⁹ Moreover, besides the criticisms and pitfalls of the 2008 orphan works legislation, there may have been external factors which significantly stifled their passing into law. In 2008, Congress had its hands full trying to broker a \$700 billion bailout for the United States economy and, unfortunately though understandably, the orphan works issue was pushed to the bottom of the list where it stayed until the end of the congressional term. Kravets, *supra* n. 152.

orphan work, an effective mechanism to notify copyright owners that their works are being used, and an efficient means of compensating surfacing copyright owners who intend to protect their copyrights after adverse use has transpired. A legislative orphan works solution needs to comport with the Berne Convention and cannot undermine the work that Congress has done over the past forty years to integrate the United States with the international copyright community. Moreover, it would be prudent for Congress and the Copyright Office to recognize developments in technologies to help solve the orphan works problem.

A. The Databases System

The technology to implement an interactive audio-visual orphan works database system already exists. By licensing those technologies, or enlisting the support of the companies that own those technologies, the Copyright Office could effectively establish an orphan works database to help solve the Problem. Though any one of the technologies alone is not sufficient to fully solve the orphan works issue, when used in conjunction with each other, and when supplemented by a reasonably diligent search as a prerequisite to being listed on the database, the technologies could help provide the ultimate balanced solution to the orphan works problem.

For instance, Unclaimed Property Recovery and Reporting (“UPRR”) is a company whose sole purpose is to return unclaimed assets to property owners, even in situations when the property owners do not know that they were at risk of losing such property (to the government, to a bank, to shareholders in a newly merged company, etc.).¹⁶⁰ Each state in the United States has its own database which one may search to discover unclaimed funds and property (though

¹⁶⁰ UNCLAIMED PROPERTY RECOVERY AND REPORTING, <http://www.uprrinc.com> (last visited Apr. 26, 2014). *See also, UPRR: Consumer Services*, YOUTUBE, http://www.youtube.com/watch?v=pcnPZyULg_8 (last visited May 14, 2014) (“Sometimes you lose something and you don’t even know it. And some lost items are more valuable than others.”).

one needs to perform the search one state at a time).¹⁶¹ Companies like UPRR search the various states' databases and contact individuals who have unclaimed assets in a given state in order to help the property owners reclaim that which is theirs.¹⁶²

Turnitin.com is an online service that examines written works for plagiarism by scanning student-written papers and comparing the papers to an extensive database of written works.¹⁶³

Google Images now has the technology to do a reverse-lookup of a picture.¹⁶⁴ By dragging an image from one's desktop or the web into the search bar on Google Images (www.google.com/images), in an instant, Google will identify all the places on the Internet that that image is used, and will suggest images that are similar to the image searched.¹⁶⁵ Services like the "Shazam" smart phone application can, with the click of a button, identify music within ten seconds by matching it to an acoustic fingerprint in a database of millions of songs.¹⁶⁶ SoundHound, a service akin to Shazam, uses its "Sound2Sound" technology to identify songs and list similar songs (even a poorly hummed song can be matched to a professional recording).¹⁶⁷ Similarly, YouTube's "Content ID" is a technology which allows copyright holders "to easily identify and manage their content on YouTube."¹⁶⁸ "Videos uploaded to YouTube are scanned against a database of files that have been submitted to [YouTube] by content owners."¹⁶⁹

¹⁶¹ UNCLAIMED MONEY FROM THE GOVERNMENT, <http://www.usa.gov/Citizen/Topics/Government-Unclaimed-Money.shtml> (last visited May 14, 2014).

¹⁶² UNCLAIMED PROPERTY RECOVERY AND REPORTING, *supra* n. 160.

¹⁶³ *Our Company*, TURNITIN, http://turnitin.com/en_us/about-us/our-company (last visited May 14, 2014).

¹⁶⁴ *Search By Image*, GOOGLE, <http://www.google.com/insidesearch/features/images/searchbyimage.html> (last visited May 14, 2014).

¹⁶⁵ *Id.*

¹⁶⁶ *Company Information*, SHAZAM, <http://www.shazam.com/music/web/about.html> (last visited May 14, 2014).

¹⁶⁷ *Sound2Sound Search Science*, SOUNDHOUND, <http://www.soundhound.com/index.php?action=s.sound2sound> (last visited May 14, 2014).

¹⁶⁸ *How Content ID Works*, YOUTUBE, <https://support.google.com/youtube/answer/2797370?hl=en> (last visited May 14, 2014).

¹⁶⁹ *Id.*

The technologies and services discussed above, and others like them, would be extremely valuable tools if implemented to supplement and enforce current copyright law. An interactive audio-visual database of orphan works would provide ample notice to copyright owners so that they can remain vigilant in protecting their works from infringement or from a classification as orphaned. Such a database solution is discussed at length in this subsection.

i. Step One: Two Databases and a Reasonably Diligent Search

The first step of this paper's proposed solution is the establishment of two online databases to be used in conjunction with the "reasonably diligent search," as discussed above. The Registers of Copyright will establish and maintain two distinct databases: an "Orphan Works Notice of Use Database" ("Orphan Works Database") and a "Registered Copyright Owner's Database." Both databases will be openly viewable and searchable by the public. The Registered Copyright Owner's Database is similar to the 2008 government-certified "Databases of Pictorial, Graphic, and Sculptural Works,"¹⁷⁰ but this government-run database will contain registered copyrighted works of any type listed in section 102(a) of the copyright statute.¹⁷¹ An owner of a registered copyright may choose to post her work on that database, though, in order to avoid any conflict with the Berne Convention, it is not required of such owners. If an owner chooses to post her work (or in the case of graphic, sculptural, or architectural works, a digital image of such work) on the Registered Copyright Owner's Database, then the copyright owner will get a notification anytime someone attempts to post that work on either of the two databases. To prevent fraud and reassignment of the copyright, the subsequent poster (and non-owner of the copyright) will be prevented from posting the work on either database.

¹⁷⁰ See 110 H.R. 5889 §3 (2008)

¹⁷¹ See 17 U.S.C. §102(a) (2012) for the relevant provisions.

After demonstrating to the Copyright Office that, in light of the specific circumstances of his case, a prospective user performed a reasonably diligent search to locate the copyright owner, the prospective user of an orphan works may post the work on the Orphan Works Notice of Use Database. Like the works in the Registered Copyright Owner's Database, the works that may be posted to the Orphan Works Database are all types encompassed by section 102(a) of the copyright statute. Similar to what was outlined in the 2008 legislation,¹⁷² the Register of Copyrights will maintain and make available to the public current statements of best practices for conducting and documenting a reasonably diligent search. Such best practices will include a search of the Registered Copyright Owner's Database, and provisions similar to those listed in the termination provisions of the copyright statute discussed *supra* Sect. I.F.iv.¹⁷³ "Best practices" for a reasonably diligent search might also include any searches online, the hiring of investigative services, and investigating chain of title records. In considering whether a search was reasonably diligent given the circumstances of each case, the Copyright Office might consider the type of work,¹⁷⁴ the type of proposed use,¹⁷⁵ the specific circumstances surrounding the work's creation and distinct chain of title, and any other factors which the Copyright Office finds relevant to that particular matter.

Posting a work on the Orphan Works Database would entail posting a digital copy of the actual work (or in the case of graphic, sculptural, or architectural works, a digital image of such work), providing an in-depth description of the work, providing accurate search terms by which

¹⁷² 110 H.R. 5889 §2(b)(2)(B) (2008).

¹⁷³ In part, a reasonably diligent search should include, though will likely not be limited to, a search of the records in the Copyright Office. 17 U.S.C. §203, 304(c)-(d) (2012).

¹⁷⁴ For instance, is the work a photograph, a novel, or a motion picture? It may be easier to find the copyright owner of a motion picture than it is to find the copyright owner of an obscure photograph.

¹⁷⁵ For example, is the use one by a subsequent creator or is it a large-scale access use, such as that done by an archive or a library? A large-scale access use poses the copyright owner very little harm, and alternatively are extremely beneficial to society. Thus, such a proposed use should be presumptively allowed. This will be discussed in greater detail below.

others may locate the work in the Orphan Works Database, listing the identity and contact information of the user, and a description of the use to be made. Before the prospective user may post the work on the Orphan Works Database, the Copyright Office¹⁷⁶ must approve of (i) the user's documented qualifying search to locate the copyright owner as having been sufficiently diligent, and (ii) the accuracy and adequacy of the proposed posting to the Orphan Works Database, including approving the search terms and description of the work as accurate and sufficiently detailed to allow an average person to locate the work on the database by typing a search into a search bar.

In order to avoid redundancy, once a work is classified as "orphan" and listed on the Orphan Works Database, it should not be reposted in the database. Thus a subsequent prospective user of a work posted on the Orphan Works Database need not post a digital copy of the actual work, provide an in-depth description of the work, or provide accurate search terms by which others may locate the work in the Orphan Works Database list his identity and contact information, and a description his proposed use. However, the remaining prerequisites to use (i.e., reasonably diligent search, listing the identity and contact information of the user, and a description of the use to be made) remain applicable to all users. Once the work and a user's proposed use is listed on the Orphan Works Database, that user may use the work accordingly. It must be emphasized that the third party's use will be limited to the use described on the Orphan Works Database. Moreover, the user will own the copyrights to any derivative works created out of, and severable from, the orphan work.

Setting the reasonably diligent search as a prerequisite to permission to use an orphan work (like the Canadian system and unlike the 2008 proposed legislation) has two important

¹⁷⁶ As will be discussed in Part V.A.ii, *infra*, the particular reviewing body will be the Copyright Royalty Board, already established by the Copyright Office.

positive effects. First, as discussed, the reasonably diligent search allows for a case-by-case determination, which maximizes the protection of the rights and interests of both the prospective user and the not locatable copyright owner. Second, unlike a reactive solution where the “reasonably diligent search” standard is applied retroactively – thereby creating uncertainty that would chill productive uses of orphan works – the reasonably diligent search under the proposed system will be a condition to use in the first instance. Under this database system, the reasonably diligent search is a prescriptive solution to the orphan works problem. If the Copyright Office finds that the prospective user did not make a reasonably diligent search, then the prospective user will not be able to use the work, and the work will not be listed on the Orphan Works Database.¹⁷⁷

The primary purpose of the Orphan Works Database is to provide the copyright owner greater protection even after the strong protection provided by the reasonably diligent search barrier to use.¹⁷⁸ The database does so by serving notice to dormant or unaware copyright owners whose works have been classified as orphan and are being used by third parties. The hope is that the notice provided by this proposal is more than adequate to further protect the interests of the copyright owner. If simply filing notice of intent to use a work is sufficient notice for the purpose of obtaining a compulsory license to cover a musical work, then creating a searchable database that (when used in conjunction with the Registered Copyright Owner’s

¹⁷⁷ Like in the cases of disputes over the federal registration of a work, the federal courts will have jurisdiction over any disputes that arise over the ability to list an orphan work on the Orphan Works Database. *See Reed Elsevier, Inc. v. Muchnick*, 559 U.S. 154 (2010).

¹⁷⁸ The Registered Copyright Owner’s Database also inherently provides (registered) copyright owners with greater protection by alleviating some of the burden of monitoring the Orphan Works Database for infringing uses. However, the Registered Copyright Owner’s Database expands beyond the scope of the orphan works situation because it sets a new gold-standard for registered copyrights. If a work is posted on the Registered Copyright Owner’s Database, then it may serve as presumptive evidence of knowledge in a copyright infringement case.

Database) offers a better probability to notify actively the copyright owner of such use, and should be a valid means of providing notice.

A detailed description and search terms on the Orphan Works Database—combined with the databases’ utilization of such technologies as YouTube’s content identification software, Google Reverse Image Search, Shazam/SoundHound, and Turnitin¹⁷⁹—create sufficient notice similar to the manner in which the public was given notice of a work’s copyright in the pre-1978 formal registration and publication requirements. However, under this proposal, the party being served the notice and the party serving the notice are reversed to continue to comply with the Berne Convention. Copyright protection is not dependent on some affirmative step taken by copyright owner, but rather it merely coincides with copyright owners’ already existing affirmative duty to monitor and prevent unwanted uses of their works.

If copyright owners do not want to be required to vigilantly monitor the Orphan Works Database for their works, then they have two options that continue to provide protection to the copyright owner’s interests. First, companies like UPRR (Unclaimed Property Recovery and Reporting) might arise to search the Orphan Works Database and contact locatable copyright owners should they find a work listed on the database. Second, the copyright owner merely needs to register her work and post it to the Registered Copyright Owner’s Database. Once her work is posted on the Registered Copyright Owner’s Database, the inherent technologies of the databases will notify her when someone attempts to post her work on either of the databases.

ii. Step Two: The Compulsory Non-Exclusive License

¹⁷⁹ As was previously mentioned, these are all independent commercial technologies owned by private companies. In order to gain access to these technologies, the government must make some sort of equitable arrangement with these companies for permission to use their technologies either individually or collaboratively.

All users of a work posted on the Orphan Works Database must pay for a non-exclusive license for his or her respective use at a “reasonable price”: the amount, as determined by the Copyright Royalty Board,¹⁸⁰ at which a willing buyer and willing seller in the positions of the user and the copyright owner of the used copyright would agree with respect to the particular use of the work.¹⁸¹ The Copyright Royalty Board will undertake to define such prices for different types of uses and different types of works, according to the relevant common industry practices. The funds gathered by the Copyright Office from such compulsory license shall be held in trust by the Copyright Office for the copyright owner. The orphaned work will remain posted on the Orphan Works Database with an orphan work status for the remainder of the copyright term, pursuant to the relevant provisions of the copyright statute, or the surfacing of the copyright owner, whichever happens earlier.¹⁸² At any time until the end of the copyright term, the legal owner of the copyright being used may step forward and claim such ownership.¹⁸³ After proving legal ownership in the rights used, the copyright owner is entitled to the funds held in trust by the Copyright Office. Furthermore, the Copyright Office (as a body in the Library of Congress) shall collect a reasonable tax from the licensee to help fund the databases.¹⁸⁴

Setting up this system as a prescriptive compulsory non-exclusive license regime creates much more certainty than a reactive limited remedies regime. Due to its prescriptive, proactive

¹⁸⁰ This is the same board (consisting of three judges) that already exists to evaluate and set license fees and royalty rates for any statutory license royalties collected by the United States Copyright Office. *See generally*, Copyright Royalty Board, <http://www.loc.gov/crb/> (last visited May 15, 2014).

¹⁸¹ *Compare with* 110 H.R. 5889 §2(a)(4) (2008) (“The term ‘reasonable compensation’ means, with respect to a claim for infringement, the amount on which a willing buyer and willing seller in the positions of the infringer and the owner of the infringed copyright would have agreed with respect to the infringing use of the work immediately before the infringement began.”).

¹⁸² *See generally*, 17 U.S.C. §§301-305 (2012) (listing the various provisions pertaining to duration of a copyright term under different circumstances).

¹⁸³ It thus might also be noted that this database could possibly give rise to a third database composed of works in the public domain, should Congress and the Copyright Office ever decide to establish one.

¹⁸⁴ The tax, if necessary for Congress to have the financial capability of managing the database, will be set by Congress, as is within its Constitutional power to do.

nature, a compulsory license regime allows for more accurate and fair price-setting. Because the prospective user would know the cost of using the orphan work before commencing use, such a prescriptive system will not chill productive uses of works nearly as much as does the uncertainty associated with litigation. Concomitantly, unlike other license systems such as Canada or the United Kingdom, there is no artificial limit on the ability of the copyright owner to collect the compulsory license royalties. Even if the copyright owner never surfaces, under the proposed system, the copyright would nonetheless subsist for the remainder of the term. By collecting a continuous royalty (e.g., 2.5% of net profits¹⁸⁵) for the duration of the term, this proposed solution treats the not locatable copyright owner as if she is locatable and rational. It is in this manner that the copyright owner's rights and interests are sufficiently protected while the public reaps a substantial benefit from the productive uses of orphan works.

As has been noted, the Copyright Royalty Board will review all applications to use orphan works, and will recommend the license fees and royalty rates. The amount of applications to use orphan works will not be substantial and will not place an undue burden on the members of the Board. The only types of uses which would place an extreme burden on the Board are large-scale access uses, such as those by archives and libraries. However, since such uses pose the copyright owner very little harm, and alternatively are extremely beneficial to society, such uses will essentially be rubber stamped by the judges on the Board. Moreover, the license fees for large-scale access uses should be relatively minimal given the nature of the use, the little (if any) economic harm done to the copyright owner, and the immense benefit they confer unto society.

¹⁸⁵ These royalties should be determined by generally accepted accounting principles (GAAP). *See* Authoritative Source of Guidance, Federal Accounting Standards Advisory Board, <http://www.fasab.gov/accounting-standards/authoritative-source-of-gaap/> (last visited May, 15, 2014).

iii. Step Three: Attribution and Disclaimer

If the owner of the copyright being used is known, then the user (licensee) must provide on or in the work appropriate attribution to the author and/or copyright owner. The user must also include a disclaimer on or in the work that the work does not belong to her, but rather was licensed to her by the Copyright Office as an orphan work. Attribution and disclaimer provide the absent copyright owner additional notice, beyond that provided by the Orphan Works Database. In the same vein, attribution and disclaimer also further protect the interests of copyright holders – a necessary precaution considering that insufficient protection of copyright owners’ interests was a major criticism of the 2008 legislation.¹⁸⁶

iv. Step Four: The Orphan Works Affirmative Defense

The final piece of implementing the database solution is an orphan works affirmative defense, providing safe harbor for all works listed on the Orphan Works Database. Once the Copyright Office does its analysis, grants the license, and posts the work on the Orphan Works Database, the licensee is immune from liability for uses granted under the license (so long as she pays the license fee and any continuous royalties as determined according to the “reasonable price” set by the Copyright Royalty Board). In order to balance the interests of the copyright owner against the interests and financial investments of the licensee, when a copyright owner surfaces and proves ownership, no new compulsory licenses may be granted for new uses of the work, but the user may continue to benefit from the use for which the compulsory license was paid.

¹⁸⁶ Kravets, *supra* n. 152.

B. The Database System in Practice

The foregoing subsection proposed a system of databases, compulsory licenses, and a reasonably diligent search standard in order to solve the orphan works problem. The utilization of technology combined with the prescriptive reasonably diligent search standard strikes an even balance between copyright owners and the public. On one hand the public has access to works for the purpose of preservation (either by means of actual archiving or by creating derivative works and popularizing the original). On the other hand, the copyright owner has ample notice and tools to protect her work from infringement (unlike the 2008 proposed legislation).

It is also worth emphasizing that the database system, unlike many other proposals, would comport with Berne requirements. The elimination of formalities created the Problem, so it is natural that so many commentators have proposed solutions that somehow reintroduce formalities to a degree. However, formalities were eliminated so that the United States could participate in the international intellectual property community. It would be counterintuitive to forgo that membership in the international community in order to solve the problem knowingly created by Congress when it decided to join the international community in 1976. The database system does not create any new or unreasonable burdens on the copyright owner that are not already used in many other areas of United States copyright law. That is, constructive notice in some form is a commonly used mechanism in copyright law throughout United States history (ranging from the pre-1978 registration formality to the DMCA's constructive notice provision).

Moreover, because of its prescriptive case-by-case approach, the database system accounts for all works and all types of uses. From a practical standpoint, each type of work will be integrated into the databases differently (a Google-esque reverse-image search for a painting

or a photograph, Shazam for a song, Turnitin for a novel or a poem, and YouTube for a motion picture). Furthermore, the type of work will impact the “reasonable price,” and the structure of the compulsory license deal. That is, a license for use of a motion picture could differ quite a bit from a license to use a poem. The same impacts could be said for the type of use. The reasonable price and license structure subsequent creator could look very different from a large-scale access user.¹⁸⁷ The subsections that follow present the various manners in which different scenarios would unfold under the proposed regime.

i. Large-Scale Access Use: Save the Music and *Yiddishe Lider*

As previously discussed, current copyright law prevents Save the Music (“STM”) from compiling and digitizing important Jewish and Yiddish works, such as *Yiddishe Lider*.¹⁸⁸ Because the primary goal of STM is to preserve works—meaning that it is not a primarily commercially motivated use and it provides immense social benefit—the reviewing board should not only presumptively grant STM a license to digitize the works on its site, but accordingly, the Copyright Royalty Board also should set the license fee relatively low. If STM can provide a record of its searches to find the copyright owners (including, perhaps, a search of the Registered Copyright Owner’s Database), they will likely receive the license to use the works on their site, and the works will also be posted on the Orphan Works Database. Due to the limited commercial nature of its use, the Copyright Royalty Board will likely set the royalty fee at \$0.

So long as the works have a disclaimer affixed to them, they may remain on STM’s site until the copyright owner steps forward and objects to STM’s use. If the copyright owner never steps forward, then, theoretically, STM may keep the licensed works on their site indefinitely.

¹⁸⁷ See Part II.B.i, *supra*.

¹⁸⁸ Creative Commons 2005 Comment, *supra* n. 40 at 4.

Once the copyright terms in the works expire, according to the relevant statutory provisions (depending on whether it was a work by an individual, an anonymous work, a work made for hire, etc.), STM may remove the disclaimers. At that time, the works will also be removed from the Orphan Works Database. If Congress and the Copyright Office so choose, they may establish a database of works that have entered the public domain. The works that are removed from the Orphan Works Database due to the expiration of their copyright terms may then be listed on the public domain database so that the public can more easily determine which works are in the public domain and free to use.

ii. Enthusiast Use: Dramatic Radio Production

An enthusiast use will be less public and a bit more transformative than most large-scale access uses. Consider, for instance, the Hunterdon Radio Theater (“HRT”),¹⁸⁹ nonprofit radio theater group that hoped to perform radio dramas from the 1930s-1950s.¹⁹⁰ However, due to a lack of clear copyright, they were unable to pursue such performances.

As in the STM scenario described above, HRT must demonstrate records of their reasonably diligent search. While the decision ultimately rests in the reviewing board’s hands, the nature of this use should also weigh in favor of a lower standard for what constitutes “reasonably diligent.” However, because the nature of the use involves some transformative elements (such as voice actors), and because the use is more public since it consists of performing the works for public audiences (rather than simply storing the work in an archive), the threshold for what constitutes “reasonably diligent” will be higher than it is for a large-scale

¹⁸⁹ William Spear, Hunterdon Radio Theater Response to Copyright Office’s 2005 Notice of Inquiry (#29) (2005) (available at <http://www.copyright.gov/orphan/comments/OW0029-HRT.pdf>).

¹⁹⁰ *Id.*

access use. For this reason, if HRT is a totally bankrupt organization that cannot afford to adequately search chain of title in the radio show's copyright, the board might deny posting the show to the Orphan Works Database and may subsequently reject HRT's application for a license.¹⁹¹ If the board does decide that HRT's search was sufficiently reasonably diligent and does post the show to the Database, since HRT's use is not for profit, the Copyright Royalty Board might consider a relatively low license fee (though perhaps still higher than a large-scale use fee), and a continuing royalty of \$0.

iii. Private Use: Individual Attempting to Reproduce a Photograph of Her Grandparents at Kinko's

The following private use is an obscure scenario, however it is not unlike the one described to the House Judiciary Committee in 2008.¹⁹² This rare case demonstrates the scale of the proposed audio-visual database system, from a large-scale access use by a library to the private use of a young woman hoping to duplicate a photograph of her grandparents. At her wedding, a young woman would like to enlarge and display an old photograph of her grandparents from their wedding. The photograph was not a work made for hire, but she is unable to locate the seventy-year-old wedding photography company that owns the copyright in the photograph. She brings the photograph to Kinko's to have it digitized on a thumb-drive and enlarged so she put it on display at the wedding. If she were to copy the photograph herself, it

¹⁹¹ While it would be unfortunate for HRT to be denied the license, it is a necessary consequence of the proposed system. If the financial situation of the prospective user were a consideration in whether a search was reasonably diligent, it would open up the potential for wealthy prospective users (such as studios) to game the system and clear rights in materials that might not actually be orphaned upon a more thorough investigation.

¹⁹² *Promoting the Use of Orphan Works: Balancing the Interests of Copyright Owners and User Before the H. Judiciary Comm.*, 110th Cong. at 16 (statement of Marybeth Peters, U.S. Register of Copyrights) (2008) (available at <http://www.copyright.gov/orphan/orphan-hearing-3-10-2008.pdf>).

might be considered fair use. However, Kinko's is unwilling to copy the picture for fear of infringing on the unknown copyright owner's rights.

In anticipation of her wedding, the young woman may conduct a reasonably diligent search for the copyright owner of the photograph. When the search yields no results, she may apply to the Copyright Office for the work to be listed on the Orphan Works Database. Due to the nature of her use, the likelihood that the seventy-year-old wedding photography company no longer exists, and the likelihood that there are no apparent heirs to the copyright in that private photograph that would hope to claim copyright ownership, the reviewing board will probably post the work on the Database and grant the young woman and hirees the license for the purpose of duplicating it for her wedding. The board would likely grant this limited personal use for a reasonable price (likely nominal considering the type of work and nature of the use).

iv. Use by Subsequent Creator: Studio Acquiring Film Rights in a Novel

Even large-scale commercial uses of orphan works could be protected under the proposed regime. Under current law, if a studio discovers an old novel, and after hiring a firm to research the rights in the novel, determines that the chain of title is so confusing that the copyright owner is indeterminable and clearing the film rights might not be possible, the studio will decide simply to not green-light the project.¹⁹³ However, under the proposed regime, if the reviewing board determines that the studio's search for the owner of the copyright in the novel was reasonable, then it will post the novel on the Database, along with a description of the studio's proposed use, and it will grant the studio, according to fair industry standards (as calculated by GAAP), a non-exclusive license in all rights necessary to produce the film.

¹⁹³ Discussion with Jeremy Williams, Deputy General Counsel, Warner Brothers Studios (March 21, 2014).

It should be emphasized that the license of the copyrights in the novel, as in the case of every license under this proposed regime, would be non-exclusive. This would mean that if Studio A gets the novel posted on the Orphan Works Database and receives a license to the film rights in the novel, Studio B, upon demonstrating that it made a reasonably diligent search, may also obtain a license in the film rights of the novel. Thus, within the film industry—aside from the reasonable compensation the studio must pay to the trust of the copyright holder—the orphaned novel is treated like a work in the public domain: its underlying story is accessible to anyone who wishes to use it. The underlying story alone might not make the film successful in the marketplace. The potential success of the project will ultimately rely on its unique production and the caliber of talent attached to it.

Furthermore, it is also noteworthy to mention that, though the underlying story is not owned by the studio, as a subsequent creator, the derivative work (that is, the film) is owned by the studio. The studio must disclaim its right to story in the film credits, and if the copyright owner surfaces, she is not only entitled to the license fees and any royalties agreed upon in exchange for the license, but she may also object to any new uses of the work that were not included in the original license (for example, the copyright owner could theoretically object to a sequel). However, the studio may continue to distribute and profit from the film for which the Copyright Office granted the license.

Not every right of every copyright owner will be shielded by this system. It will not protect the copyright owner who, if she were locatable, would not wish that the work be available to the public, irrespective of royalties. However, this proposed system will protect the rational copyright owner who would make a business deal in good faith. Moreover, the ultimate goal of copyright law, which is utilitarian in nature, is served by this database system,

irrespective of the few potentially disgruntled copyright owners. Though the studio is a subsequent creator using the orphan work purely for commercial reasons, the reasonable license fee combined with the Orphan Works Database sufficiently protect the interests of the absent copyright holder, while simultaneously attracting new audiences to the novel and its underlying story.

VI. CONCLUSION

The orphan works problem has pained the U.S. Copyright Office, Congress, courts, prospective users, and the general public for many years. When the problem was first significantly exacerbated by the implementation of the Copyright Act of 1976, and even when the Copyright Office first released a notice of inquiry on the issue in 2005, it seemed that the only way to solve the Problem was to craft a precise and finessed law—a law that would work within and around the complicated confines of new U.S. copyright law and policy. However, new technologies may now relieve some of the burden on Congress and the Copyright Office to craft the perfect legal standard that strikes the perfect balance between the rights of a copyright owner and the utilitarian goals of copyright law.

Utilizing a reasonably diligent search standard, an orphan works database will help alleviate concerns about any potential orphan works solution that excessively undermines the rights and interests of a copyright owner, whether or not the owner is ascertainable and locatable. An orphan works database will provide copyright owners with the means to protect their works and their rights, despite a potentially imperfect definition of “reasonably diligent search.” An orphan works database will allow copyright owners to adequately guard their works from unwanted uses, while reinvigorating productive usage of numerous socially and historically valuable works.