Submitted by Online Submission Procedure

Maria A. Pallante
Register of Copyrights
U.S. Copyright Office
101 Independence Avenue, SE
Washington, DC 20559-6000


Dear Ms. Pallante:

The Kernochan Center for Law, Media and the Arts submits these reply comments in connection with the Notice of Inquiry on Orphan Works and Mass Digitization, 77 Fed. Reg. 64555 (Oct. 22, 2012). These comments focus on two issues: First, whether the objectives of allowing broader use of orphan works are better served by new legislation or by relying on existing exceptions, notably fair use; and second, what recourse a copyright owner has when her works are misidentified as “orphans.”1 Each is addressed in turn.

A. New Legislation vs. Relying on Existing Exceptions

Many of the comments submitted in response to the Notice of Inquiry suggested that potential users would be better served by relying on fair use rather than by a legislative solution to the problems of orphan works. In our view, a legislative solution (one that limits a user’s liability when she has done a diligent search and failed to identify and locate the copyright owner, provides for compensation if a copyright owner later comes forward, and provides guidance on what constitutes a “diligent search”) is preferable for the following reasons. First, fair use is decided on a case-by-case basis; it is an inappropriate vehicle for sweeping new limitations on copyright. Decisions to allow broader use of in-copyright works on a systematic basis are essentially legislative in nature, requiring a thorough consideration of the situations in

1 This comment refers throughout to the “copyright owner” but recognizes that any legislative effort concerning orphan works should consider parties who may not be copyright owners but have a continuing interest in the work, such as performers, authors, etc. See, e.g., Comments of Writer’s Guild of America West (advocating that writers and directors be deemed right holders for purposes of any use of their works, even if they are not copyright owners).
which the orphan works issue might arise and a careful balancing of creators’ and users’ interests and the goals underlying copyright law. Such decisions cannot effectively be made in the context of one or a handful of lawsuits where many of the stakeholders are not represented and many of the relevant factors not addressed. As the court explained in rejecting the proposed settlement agreement in *The Author’s Guild, Inc. v. Google Inc.*:

The questions of who should be entrusted with guardianship over orphan books, under what terms, and with what safeguards are matters more appropriately decided by Congress than through an agreement among private, self-interested parties. Indeed, the Supreme Court has held that “it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause’s objectives.”

For example, what is the search standard? Should it vary with the nature of the use? With the nature of the user? What happens when the copyright owner comes forward? Can she reclaim rights to her work, and if so, how? Should she be compensated? How should foreign works be treated, consistent with the United States’ international obligations? Relying on ad hoc determinations by the courts risks over and under-inclusion. Moreover, the fair use “pendulum” swings both ways. Recent decisions such as *Cambridge University Press v. Becker* and *The Author’s Guild, Inc. v. HathiTrust* have been favorable to educational institutions and libraries, but those are district court cases that could be reversed or limited on appeal.

Second, relying on fair use gives a significant advantage to more aggressive institutions that have legal support from in-house counsel, and financial support from private funders and/or protection under the Eleventh Amendment from money damages for infringement. Other institutions are inclined to be more cautious. Many librarians and archivists “on the ground” just want to do the right thing and would appreciate and benefit from a greater degree of certainty. A failure to enact orphan works legislation will leave many orphan works tied up in risk-averse institutions. The public interest thus is better served by legislation of general application rather than by piecemeal litigation.

Third, relying on “best practices for fair use” to detail (or in some cases to expand) fair use is problematic, particularly if those practices do not represent a consensus of the various stakeholders. As one commentator has observed with respect to recently developed best

---

3 863 F. Supp. 2d 1190 (N.D. Ga. 2012), appeal pending (11th Cir.).
practices for fair use, "[T]he best practices statements should not be viewed as particularly valuable customs for a variety of reasons, but especially because they are very one-sided, having been developed without input from content owners whose work is likely to be used without permission and without compensation." These best practices statements, "although purporting to objectively state the principles of fair use, ultimately state what the drafters wish fair use was." To hold these practices out as reflective of the law is misleading to those who might rely on them to provide greater certainty.

Finally, reliance on fair use inadequately furthers the policy goals of orphan works legislation – those of facilitating distribution and fostering new creativity. For example, some commercial uses may be consistent with the policies animating an orphan works regime, but would not necessarily qualify as fair uses. Moreover, the more the fair use exception expands to exempt commercial redistributions or derivative works, the more it comes into tension with international norms and traditional copyright principles.

B. Works Misidentified as Orphans

One of the significant concerns on the part of authors and other copyright owners is the misidentification of works as "orphans," and how the copyright owner can stop infringing uses once a work has been so designated.

The typical portrayal of an orphan work is a work whose copyright owner has been unaware of or indifferent to her own copyright interests, or neglectful of asserting ownership of the work. Indeed, there are works that have been abandoned by copyright owners; in some cases, the copyright owners may even be unaware the work exists. But works can become designated as "orphans" even where a copyright owner is conscientious, present and active in the marketplace. For example, rights information may have been stripped when the work was uploaded to the internet without authorization, where a user encountered it and tried without success to identify it. Some orphan works issues are transitional – in general, the older a work is and the closer to expiration of its copyright, the more stale its copyright owner information is likely to be. But the problem of new orphans – that is, works thrust into orphanage because of the removal of their identifying information – is largely a product of the digital age.

---


8 Id. at 376.

9 Id.

10 See, e.g., Comments of Philip Drucker (an author who "abandons" his copyright should expect that his property may be used by others); Comments of Emory University Libraries at 6 (a collective licensing fee would "reward an author for abandoning his copyright").

11 See, e.g., Comments of Association of Medical Illustrators at 1; Comments of Pro-Imaging.org at 1.
What happens when a work is treated as an orphan but it’s not an orphan? Does the author have to identify and contact each user individually? This is an issue of significant concern to copyright owners, particularly to individual creators in the fields of photography and the visual arts, and one that could be a stumbling block to a balanced resolution of the orphan works issue. As a practical matter, how does a copyright owner reclaim rights, and be made whole, with respect to a work that has been designated as an orphan? The work may now be in use by many people and organizations, especially if it has “gone viral.” Is it the copyright owner’s responsibility to track down and notify each user? Different orphan works regimes – proposed and actual – address this issue differently.

**S. 2913.** The 2008 orphan works bill in the Senate\(^\text{12}\) followed the general approach to orphan works legislation set out in the Copyright Office’s 2006 report. In broad brush, it provided for use of “orphan works” conditioned on a user’s “qualifying search” for the copyright owner. If the copyright owner later came forward, the use had to cease and the user’s liability would be limited to reasonable compensation.\(^\text{13}\) The bill provided a mechanism for copyright owners to reclaim their works. To do so, copyright owners would serve a “Notice of Claim of Infringement” which required the user to cease the infringement and negotiate in good faith with the copyright owner as to reasonable compensation.\(^\text{14}\) If the parties could not reach agreement the copyright owner could seek relief in court; if the user refused to negotiate, he would lose the limitation of liability. The Senate bill did not provide the copyright owner with any means of identifying and locating users of her work, however.

**H.R. 5889.** The 2008 orphan works bill in the U.S. House of Representatives\(^\text{15}\) had many similarities to the Senate bill. However, it imposed another condition on users. Before making use of a work believed to be an orphan, users would have to file a notice of use in the Copyright Office, including, inter alia, a description of the work, certain identifying information (to the extent known), a summary of the diligent search made, and a description of the planned use. Presumably the copyright owner would be able to use the database to identify users of her work in order to reclaim rights.

**EU Orphan Works Directive.** The recent EU orphan works directive\(^\text{16}\) was designed to allow broader use of orphan works by public service institutions.\(^\text{17}\) An institution must undertake a “diligent search” for the right holder, and only if that search is unsuccessful is the

\(^{12}\) S. 2913, 110\(^{th}\) Congress, 2nd Sess.
\(^{13}\) No compensation is required from nonprofit educational institutions, libraries, archives or public broadcasting entities if the use was not for commercial purposes and ceases promptly after a notice from the copyright owner. *Id.* Sec. 514(c)(1). If the user has created a derivative work “with a significant amount of original expression,” she may continue to use the work with compensation to the copyright owner. *Id.* Sec. (c)(2)(B).
\(^{14}\) *Sec. 514 (c)(1)(B), 514 (b) (1) (A).*
\(^{15}\) H.R. 5889, 110\(^{th}\) Congress, 2nd Sess.
\(^{17}\) Specifically, the directive concerns uses by publicly accessible libraries, educational establishments, museums, archives, film or audio heritage institutions, and public-service broadcasting organizations. *Id.* art. 1(1). Visual art works are not included in the directive.
institution permitted to use the orphan work for certain specified noncommercial uses (making available the work, and reproduction for the purposes of digitization, making available, indexing, cataloging, preservation and restoration).\textsuperscript{18}

The EU directive provides that

Member States shall ensure that a rightholder in a work or phonogram considered to be an orphan work has, at any time, the possibility of putting an end to the orphan work status insofar as his rights are concerned.\textsuperscript{19}

The directive further requires that Member States provide fair compensation to right holders who terminate the orphan work status of their work, as determined by the law of the country where the user institution is located.\textsuperscript{20} User organizations will be required to provide national authorities with their contact information, the results of their diligent search with respect to a particular work, their proposed use, and any change of the orphan works status of a work when the user comes forward.\textsuperscript{21} It envisions the creation of an EU-wide database in which this information is collected.\textsuperscript{22} Since a user will be required to provide this information, presumably the database will be a useful tool for “orphan works” owners who come forward, as the resulting database will assist them in identifying users of their work and sending notifications. The mechanics of terminating the orphan work status are not addressed in the directive and presumably left to the law of the Member States.

\textbf{Canada.} Canada has a significantly different regime for authorizing use of orphan works. Under section 77 of Canada’s Copyright Act, if a user has made a reasonable effort to locate a copyright owner without success, the Copyright Board of Canada may issue a non-exclusive license to the user on terms and conditions fixed by the Board.\textsuperscript{23} If the copyright owner comes forward within five years after the license has expired, she can collect the royalties provided by the license. The Board is not required to set a specific term for the license but has made it a standard practice to do so, in view of the time limitation with respect to the copyright owner’s recovery of royalties.\textsuperscript{24} The law has no provision for termination of the license by the right holder;\textsuperscript{25} presumably she could do so upon expiration of the license. The Board could put a termination provision into a license, but apparently this is not the practice.\textsuperscript{26} Even though the

\textsuperscript{18} Id. Art. 6(1).
\textsuperscript{19} Id. Art. 5.
\textsuperscript{20} Id. Art. 6(5).
\textsuperscript{21} Id. Art. 3(5).
\textsuperscript{22} Id. Art. 3(6).
\textsuperscript{25} Id. at 30.
\textsuperscript{26} Id.
copyright owner’s ability to reclaim rights may be limited in Canada, the scope of the search is
approved by the Board, which also sets the permitted uses, so there is a diminished likelihood
that works will be misidentified as orphans.

In short, none of the regimes or anticipated regimes has a robust mechanism for both
identifying users and terminating use (other than by individual notification, as in Senate bill).

There are at least three features in an orphan works regime that could address, at least in
part, the problem of misidentified orphans.

Notice of use. This mechanism, which requires that a user file a notice of use describing
the work and the search and providing contact information, is a feature of the EU Directive and
the 2008 House bill. It is implicit in the Canadian system, where use is pursuant to a license
issued by the Board. The advantage of a notice of use component is that copyright owners can
locate users. Otherwise, it can be a formidable and time-consuming task to track down users,
and there may be uses that affect the potential market for the work that aren’t transparent (for
example, if her work is being made available in full text to multiple universities and all of their
respective faculties, staff and students, but some form of identification is required to access).

On the other hand, filing a notice of use for each work may in some situations place a
significant burden on users, especially since, in many cases, there may be no copyright owner
who ever comes forward.

Registry. Another possible feature to facilitate terminating use of misidentified orphans
is a voluntary central registry by which a copyright owner could make her identity and contact
information known. Such information is one aspect of the registry envisioned for the EU.
Setting aside the logistical issues, presumably such a registry could work on a going forward
basis (i.e., no new users could reasonably claim the work was orphaned). But what about those
uses already commenced? If users aren’t going to be required to file notices of use, are there
other ways to fairly allocate the burden of misidentified orphans? Perhaps users should be
required to check the central registry periodically and discontinue use of works designated as no
longer orphans. That way, the obligation to remove a misidentified orphan could be triggered
not only by an individual notification from the copyright owner, but also by the periodic
review.

---
27 Such a registry could also play a role in preventing misidentification of works, because a diligent search in
advance of new uses of “orphan” works would presumably require that it be searched (although that alone should
not suffice as a diligent search).
28 Of course a registry is only as good as the information put in, so there remain critical questions about how the
works will be indexed, and how visual works can be addressed.
29 We recognize that such a review could be time-consuming for the user, but that could be mitigated by the
frequency of the required review, and possibly by a sunset provision after which no further review is required for a
particular use.
Termination procedure. A specific procedure by which a copyright owner can terminate the orphan work status of her work should be developed, either by statute or through regulation. Copyright owners need to know what information is required, on whom the notice should be served, etc.

****

Finally, we submit that a regime to permit “mass digitization” should be considered separately from one for orphan works, particularly if anything less than a diligent search is to be required for the former. A lower search standard would undoubtedly result in the inclusion of many more non-orphans. Accordingly, one would have to consider which institutions should be able to engage in such activities and under what circumstances (e.g., what standards they would have to meet, what security would be required for the resulting database30), the limits on use of the digitized materials,31 an efficient opt-out mechanism, whether any payments should be required, and if so, to whom, and so on.

We appreciate the opportunity to submit these comments, and look forward to working with the Copyright Office on issues concerning orphan works and mass digitization.

Respectfully submitted,

Jane M. Besek
Executive Director,
Kernochan Center for Law,
Media and the Arts

Jane C. Ginsburg
Morton L. Janklow Professor of Literary
and Artistic Property Law
Columbia Law School

31 For example, conceivably mass digitization could be permitted under certain circumstances for purposes such as indexing for more efficient search, or data mining, but any provision of full text of in-copyright works should require a diligent search.