



Maria A. Pallante
Register of Copyrights and Director U.S. Copyright Office

Berkeley Digital Copyright Project
April 12, 2012

Orphan Works & Mass Digitization: Obstacles & Opportunities

Keynote Address

I am honored to deliver the David Nelson lecture and I want to thank the Berkeley Center for Law and Technology for the invitation and for this outstanding symposium. I would like to revisit some of the early points of tension in the orphan debate and the shifting assumptions about the problem, and then provide some insight into the goals of the Copyright Office during the Congressional session.

I am aware that many people in this room have studied, debated, litigated, and negotiated issues relating to orphan works, and I worked closely with some of you in my own work. There are, of course, some differences of opinion that we will need to reconcile if we are to move from holding pattern to progress on orphan works. That said, I do think we have a significant amount of agreement not only in this room, but also in the broader copyright community, to a degree that simply was not the case before.

For example:

1) We seem to have general agreement that in the case of a true orphan, where there is no copyright owner and therefore no beneficiary of the copyright term, it does not further the objectives of the copyright system to deny use of the work, sometimes for decades. In other words, it is not good policy to protect a copyright when there is no evidence of a copyright owner. Senator Hatch put it this way: "In other areas of law, the rights of an owner are limited by things like adverse possession, salvage rights, found treasure doctrines, and abandonment theories. Many believe that a similar concept should be applied to copyright law."¹

2) We seem to have general agreement that, even where a good faith, diligent search is undertaken (with all of the expertise and resources required), the act of finding one or more copyright owners does not always lead to resolution. On the contrary, for many users, finding one or more copyright owners is not the end, but the beginning of effort and expense, and therefore difficult to justify as a strategy for certain projects, provided we can define those projects responsibly.

3) Finally, I believe we agree that neither of these points, orphans or market gridlock, are good for the copyright system. It is not good for the users and authors who would

otherwise engage in transactions, but perhaps more importantly, it does not engender faith in the operation of the law or respect for the goals of the law. This fact was reflected in the Copyright Principles Project, chaired by Pam Samuelson, as was the realization that to do nothing is also not an option. The group wrote that there is “no one silver bullet that can relieve all of the stress, maintain or renew public confidence in copyright, and bring calm to copyright industries disrupted by new technologies,” but “a better copyright law is possible.”²

With these points in mind, I think that confirming, and in some cases, resetting, the copyright relationship as between copyright owners and libraries and archives is of special importance to the public and therefore of primary importance to my Office. This will require hard work, a commitment from all sides to come to the table, and a willingness to compromise. In the end, we should enact orphan works legislation, update library exceptions, facilitate new licensing models, reconcile competition and pricing issues with the copyright marketplace, and protect the doctrine of fair use. I believe legislation is an important component of the solution because I think that Congress has a responsibility to update the Copyright Act.

Before I go any further, I want to note the importance of the academy in the orphan works debate. Schools like Berkeley have many advantages over the government when it comes to problem solving, including resources, political distance, and cross-disciplinary expertise. With respect to the orphans issue, many also have direct experience, whether through library digitization projects or academic publications. Partnering with academic institutions (whether formally or informally) is important to me as Register: it is one of ten core commitments I announced last October in the publicly released document, *Priorities and Special Projects of the Copyright Office*.³ I have formed a special cross-disciplinary committee of staff dedicated to exploring relationships with all kinds of schools around all kinds of topics, including research projects, workshops, fellowships and clerkships, and advisory committees. If this is something that may appeal to you, I hope you will let me know.

In thinking about my remarks today, I noted with interest that this is the 100th anniversary of Berkeley’s School of Law and the motto is “Big Ideas, Bold Action.” This seems a perfect motto for the kind of work that happens regularly at Berkeley — but I am a policy lawyer in Washington, DC. To be clear, there is no shortage of big ideas in DC, generally speaking. But in terms of copyright policy, because the environment is so often polarized, it is quite common for people to dismantle big ideas into smaller ones for the purpose of making them manageable. And it is frequently the case that legislative action responds to technological change, but does not anticipate it. In part this is because legislation is hard to enact, and in part it is because those on the cutting edge of technology have always been highly valued by society. As one witness told Congress at a copyright hearing nearly 30 years ago, “When you are legislating on the cutting edge of technology, the all-important thing is to stay behind the blade.”⁴

Within the Copyright Office, my colleagues and I are committed to orphans legislation and would very much like to see it as a major point of discussion in the next session of Congress, which as you know will run from January 2013 through January 2015. The end of that session will mark ten years from the date the Copyright Office began its public process, with the 2005 notice of inquiry. This may seem like a long time (particularly for those of you who are young people), and it is in fact a long time. But experienced Members of Congress

will tell you that good copyright legislation takes multiple Congresses to enact. It requires debate, reflection, refinement, and compromise. But that is not the entire story. It is also true that sometimes it simply takes time for people to calm down and to get comfortable with big ideas. This may be especially true of copyright law, according to former Register of Copyrights Barbara Ringer. She wrote:

Changing any law is never an easy matter, and the case of copyright is made much more difficult by the religious fervor and theological arguments thrown at each other by the contending parties. The personal anger, the emotion, the presentation of viewpoints in stark black-and-white terms, are quite different in degree and character from what one might find in disputes over, say, admiralty or insurance law.⁵

Most of the time, as you all know, the goal of Congress is to move stakeholders to a consensus solution. This approach is pragmatic, but it requires stakeholder buy in. In the context of orphan works, the copyright community was very close to consensus for several years — in part because they seemed to agree on the problem.

Consider this 2006 testimony from June Cross, a professor and documentary filmmaker. The “same problem affects all artists, big and small, publishers, libraries, museums and many others,” she said. “That is why so many of these individuals, companies and organizations have agreed that Congress must act to give protection for those users of orphan works who make a good faith effort to find the copyright holder.”⁶

Where there was tension, it was because removing statutory damages, actual damages, and injunctive relief from the arsenals of copyright owners at first seemed like very bold action, even if they were missing, asleep, or ignorant of their rights — and even though the primary goal was to pay the rights holders. The goal of connecting users to copyright owners was apparent in the Office’s report, and it was a concept that resonated with Congressional leadership.

For example, when introducing his bill in the 110th Congress, Senator Leahy said, “By providing an incentive to search, in the form of a limitation on remedies, more users will find more owners; more works otherwise hidden will be used; and more copyright owners will receive compensation.”⁷

One question that remains unresolved is the degree to which copyright owners should assert their whereabouts, if not as a question of formalities, then in proportion to the remedies they receive. Certainly, early on, some took the perspective (either on principle or out of sheer frustration) that they were entitled to full remedies under the law as a matter of constitutional interpretation and had no duty to would be users (even as a practical matter). I believe that over time this premise has shifted greatly. Big ideas have a way of bringing people along.

Many of us tend to think of the legal aspects of the orphans debate as a two-part play: the period of 2005 through the end of 2008 and the period of 2008 to the present. The first discussion was based on an important assumption: the realization that a diligent search was necessary to reduce the number of orphans in the sandbox, thereby keeping collateral

damage to authors at a minimum and ensuring compliance with international treaties, namely the three-step test.

The second discussion was also based on an important assumption, somewhat at odds with the first one: the realization that a search that is simple to perform and relatively inexpensive, but not necessarily diligent, might attract more good faith participation among users and therefore benefit more authors and copyright owners in the long term.

Thus the question: do we need a legal framework that goes beyond the context of orphans. In other words, do we need one that anticipates or assumes the orphans will be there, if and when we look for them.

In large part, the answer to this question depends upon whether we agree enough about the purpose and importance of mass digitization projects to provide legal comfort — a tricky question since, where public display or dissemination is the goal, mass digitization projects must be differentiated because the interests of so many stakeholders are implicated. Many of you know that Robert Kastenmeier, who was a member of the House of Representatives from 1959 to 1991, was the chairman of the Subcommittee that oversaw dramatic changes in the 1976 Act. In a lecture he gave at Columbia, he summarized the Congressional thought process this way:

There are certain standards that should be applied to determine the outcome of copyright legislation. An initial standard, commonly understood by legislators, is that statutory reforms should respond to palpable problems. . . . The proponents of change must bear the burden of proving that the change is necessary, fair and practical.⁸

This is interesting because it seems to me that many of the views about how to move forward with orphans seem to turn on the last point, what is practical. For example, perhaps we should limit the types of works (exclude photographs for example), the types of users (museums, libraries and archives), and the type of use (noncommercial only). Perhaps we should start small. These are worthy suggestions, and they have certainly been debated in foreign countries, but I do not love them because they do not reflect the practice of copyright.

For example, one cannot read the 2006 Report or any of the subsequent testimony without concluding that photographs are a primary point of frustration or that commercial as well as noncommercial actors require relief. And of course one often depends upon the other. We know this, obviously, from the scanning partnerships between Google and publishers and Google and libraries. But the same is true outside the context of mass digitization. Counsel for the Holocaust Museum testified about the many photographs, artworks, and musical compositions in its possession that require relief.⁹ Although the Museum is a noncommercial actor, it is not clear to everyone that museum publications are noncommercial uses within the meaning of Copyright Act, an issue that was hotly debated from 2006 to 2008. Moreover, to the extent the museum distributes books using a commercial publisher partner, as many do, the benefit of orphans protection would likely evaporate. A solution that cannot be handed down the business chain is likely to end abruptly, short-changing the public. In comments to the Copyright Office in 2005, Duke University told a story of professors who were boxed in by marketplace realities. The professors said, "Penguin Classics gave us very clear limitations in terms of our publishing

guidelines; since they were operating on limited budgets, there was no room to even consider any works that fell outside of 1922, even if they seemed to be free of copyright claims.”¹⁰

The Office heard many similar stories from documentary filmmakers who cannot get insurance or distributors unless they have all rights in order, meaning that all rights or the legal treatment thereof, for the partners in their business chains. In fact, where the business chain was not implicated, the legislation offered nonprofit institutions a special half exception or safe harbor, the option of removing works, taking them off a website, no questions asked and no payment necessary. We called this a half exception because it was conditioned on completion of a diligent search and did not allow for ongoing use without permission. However, it needs to be viewed in the larger framework and the user’s determination that permission of the copyright owner was necessary in the first place and that protection against liability was worth pursuing. Otherwise, the user is free to invoke fair use.

If your heart is with the libraries and museums on this point, you may be thinking that a half exception is not especially helpful, or worth the trouble, but those who were there know that this special treatment was a real struggle and that the singular message from good faith institutions was how very risk averse they are — in other words they cannot risk fair use. Moreover, today the orphan works phrase seems to appear everywhere, from blogs to Supreme Court opinions, everyone calling for a solution. But just four years ago, Congress was inundated by complaints from artists, photographers, and a variety of American businesses, including greeting cards companies and textiles manufacturers. I know because I still have the hundreds of pieces of hate mail that came our way.

In the end, I believe that resetting the relationship between copyright owners and libraries requires both oversight and legislation from Congress, not only for orphan works but also for section 108 and to explore new forms of licensing. This is because it is in the public interest to both protect copyright owners and ensure the future of libraries. It may well be that an opt out system is the most sensible solution in some cases, but those cases require scrutiny and compromise to ensure that authors are not undercut and that library projects are responsible. In any event, we have already begun to convene meetings on these topics, and will have specific recommendations to revise 108 and enact orphans legislation for the new Congress in January. We are discussing and will continue to advise them on collective licensing, and the relative merits of both opt in and opt out solutions. The United States inserted a placeholder on the latter, in its second statement of interest in the proposed Google Books Search settlement, where it listed a variety of ways in which registries and searches might be constructed in the future. All of these discussions are global, as well, and we work with Congress we are also closely working with our counter parts in the European Union, South America, and other places.

Finally, it goes without saying the Copyright Office must be part of the solution. The presentation and searchability of our public records should be key factors in helping copyright owners manage their rights, and users to find and assess the information. The Office should help bridge the gap between what constitutes a diligent search and one worthy of the trouble. This in fact was the focus of a group that I was part of in 1993, called ACCORD (Advisory Committee on Copyright Registration and Deposit). Google also made this point in its orphan comments to the Office in 2005, rather gently:

We suggest that the database [of the Copyright Office] be accessible and searchable by automated means as well as through a web browser or other methods. A searchable and current database of copyrighted works would serve as a platform upon which to rest any number of legislative or regulatory improvements to the copyright system.¹¹

I agree completely and have made this goal one of my key priorities. It will take funding and a multi-year strategy, as well as a commitment from Congress. The project is co-chaired by leaders from our Information Technology department, General Counsel's office, and registration program. And we will engage technical and legal experts in a number of ways before releasing our vision to Congress and the public in the next eighteen months.

In closing, I would like to again acknowledge the Principles Project for these words of wisdom:

Too much discourse about copyright law in the past fifteen years has been burdened by rhetorical excesses and an unwillingness to engage in rational discourse with those having differing perspectives. [But] it is possible for persons of good will with diverse viewpoints and economic interests to engage in thoughtful civil discourse on even the toughest and most controversial copyright issues.¹²

Thank you very much and keep the big ideas coming.

¹ *Orphan Works: Proposals for a Legislative Solution: Hearing Before the Subcomm. on Intellectual Property of the S. Comm. on the Judiciary*, 109th Cong. (2006) (statement of Sen. Orrin G. Hatch, Chairman, Comm. on Intellectual Property).

² Pamela Samuelson, *The Copyright Principles Project: Directions for Reform*, 25 BERKELEY TECH. L.J. 1176, 1178, 1179 (2010).

³ U.S. COPYRIGHT OFFICE, PRIORITIES AND SPECIAL PROJECTS OF THE UNITED STATES COPYRIGHT OFFICE, OCTOBER 2011-OCTOBER 2013 (2011).

⁴ *Copyright and Technological Change: Hearing Before the Subcomm. on Courts, Civil Liberties, and the Admin. of Justice of the H.R. Comm. on the Judiciary*, 98th Cong. 169 (1983) (Summary of Rapporteur Paul Goldstein) (quoting Haines Gaffner).

⁵ BARBARA A. RINGER, *THE DEMONOLOGY OF COPYRIGHT: SECOND OF THE R.R. BOWKER MEMORIAL LECTURES 5* (R.R. Bowker Co. 1974).

⁶ *Orphan Works: Proposals for a Legislative Solution*, *supra* note 1 (statement of June Cross, Assistant Professor of Journalism at Columbia University and Documentary Journalist).

⁷ 145 CONG. REC. S9867-03 (daily ed. Sept. 26, 2008) (statement of Sen. Leahy).

⁸ Robert W. Kastenmeier, *The 1989 Horace S. Manges Lecture- "Copyright in an Era of Technological Change: A Political Perspective"*, 14 COLUM.-VLA J.L. & ARTS 1, 4 (1989-1990).

⁹ *Promoting the Use of Orphan Works: Balancing the Interests of Copyright Owners and Users: Hearing Before the Subcomm. on Courts, the Internet, and Intellectual Property of the H.R. Comm. on the Judiciary*, 110th Cong. 62-67 (2008) (statement of Karen C. Coe, Associate Legal Counsel, United States Holocaust Memorial Museum).

¹⁰ *Orphan Works Analysis and Proposal* at 1, Center for the Study of the Public Domain, Duke Law School (2005).

¹¹ *Google's Response to Notice of Inquiry Regarding Orphan Works* at 5, Google Inc. (Mar. 25, 2005).

¹² Samuelson, *supra* note 2, at 1179.