

February 4, 2013

Fair Use and Orphan Works Legislation

Thank you for the opportunity to discuss the benefits to be anticipated from enactment of orphan works legislation. As discussed below, fair use doctrine already provides the legal authority for libraries, archives, museums and educational institutions to avail themselves of many orphan works in their collections. Availability of a robust fair use defense, though, does not reduce the costs nor mitigate the uncertainties occasioned by litigation or its threat for risk-averse institutions. Fair use is a nuanced doctrine and in the face of diffuse case law, many institutions hesitate to risk litigation, and this hesitation prevents orphan works from being used in ways that benefit public knowledge. Legislation could effectuate the purposes of fair use doctrine while freeing works otherwise apt to languish in various collections by providing for:

1) mandatory remittance of statutory damages for good faith uses of orphan works by qualifying libraries, archives, museums and educational institutions;

2) discretionary limitation of remedies for all good faith users of orphans works; and

3) the power of courts balance equities in order to tailor injunctive relief against libraries, archives, museums and educational institutions so that efforts involving good faith uses of orphan works are not threatened with immediate, costly disbandment.

The relationship between fair use and orphan works legislation is discussed broadly and in terms of the merits of limiting remedies; separate treatment of certain noncommercial institutions; and the role of licensing. Registry improvement is also discussed.

Introduction

Orphan works are defined as “an original work of authorship 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,"¹ but a broader definition would include works that may not fall within the protections of the Copyright Act and whose provenance stymies would-be users: for instance, a photograph or film that bears no date or attribution may have already passed into the public domain. An undated work may pose as great a difficulty to a prospective user as a work under copyright protection for whom an owner cannot be identified. At universities, libraries, museums and archives that house film archives, photograph- and ephemera-rich special collections, correspondence, pamphlets, undated manuscripts and other considerable arrays of materials from the twentieth century and before, there are generally many works for which neither creator, copyright holder nor date of creation can be established.

Congressional guidance in the area would likely prevent needless litigation. Mindful of the judicial role, most courts decide fair use questions on narrow, fact-specific grounds. This is an appropriate way to avoid encroaching on the legislative prerogative, but it leaves some libraries, archives, museums and educational institutions in an uncertain legal position. An explicit legislative mandate would help such institutions fully exercise their fair use entitlements and their collections. The call for legislation governing orphan works has been sounded, and the Register of Copyright and the Library of Congress are seeking input about the orphan works issue and specifically about its relationship to mass digitization efforts. As a postgraduate fellow working with librarians at New York University, I appreciate the opportunity to provide input.² The enactment of orphan works legislation could represent an affirmation of the United States' commitment to protecting the rights of authors while fostering fulsome academic exchange.

The Copyright Office seeks input on, *inter alia*, the merit of limiting remedies; the interplay between orphan works and fair use, section 108, section 121, or other exceptions and limitations that already exist in the Copyright Act; the role of licensing; the types of orphan works that should be implicated; the types of users

¹ Orphan Works and Mass Digitization Notice of Inquiry, 77 Fed. Reg. 204, 64,555 (Oct. 22, 2012).

² These comments represent my own views. I file them on my own behalf.

who should benefit; the practical or legal hurdles to forming or utilizing registries; and the relative importance of the Register's plans to improve the quality and searchability of Copyright Office records (a project that is already underway).

I. Fair Use and Orphan Works Legislation

Fair use doctrine enables many uses of orphan works, especially by noncommercial institutions.³ As commentators have persuasively argued, the statutory factors (excepting, perhaps, the third, since the purposes "for which libraries and archives are likely to copy orphans will often demand reproduction of entire works") militate in favor of considering the scanning and even circulation of orphan works by libraries and archives to be fair use.⁴ The very existence of a statutory four-factor test, though, points at the nuance required by fair use analysis. Such nuance may prevent some institutions from allowing access to orphan works in their possession, even following a reasonably diligent search, and may even deter mass digitization projects where the presence of orphan works in a collection adds additional layers of complexity. The fact that most digitization efforts, both of orphan works and of entire collections, are readily justifiable under fair use does not mean that legislation relating to orphan works is unnecessary. Rather, it underscores the fact that legislation specifically spelling out the entitlements of all users and of libraries, archives, museums and educational institutions in particular, would simply be a means of furthering the objectives of copyright that are already codified in section 107. Fair use represents a carefully calibrated balancing act between the incentives for creators and the public's interest in the works.

³ Courts considering whether a particular use of a copyrighted work does not constitute infringement because the use is "fair" within the meaning of section 107 are instructed by the statute to examine four factors: (1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes; (2) the nature of the copyrighted work; (3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and (4) the effect of the use upon the potential market for or value of the copyrighted work. 17 U.S.C. § 107.

⁴ Jennifer M. Urban, *How Fair Use Can Help Solve the Orphan Works Problem 7* (July 18, 2012) (available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2089526##).

Legislation that clarifies its application to libraries' mass digitization projects and their use of orphan works would not enlarge users' entitlements under fair use doctrine, but it would provide institutions with greater certainty than the diffuse case law and avoid certain definitional problems.

These definitional problems arise where fair use has to be applied to facts that are too wide-ranging for the particularized sort of inquiry demanded by the statute. For instance, the second fair use factor, the nature of the copyrighted work, may have special salience in the orphan works context.⁵ The absence of an identifiable owner may be traceable to the fact that the work's nature was never commercial. This lack of economic interest in a work, it has been urged, should help courts by "informing their understanding of at least two key attributes of orphan works: first, their unlikely participation in a market that might be harmed by allowing fair use; and second, whether the likely motivations behind the work's creation stemmed from copyright's economic incentives."⁶ While many of the orphan works in a library's or archive's collections would bear out this observation, it is an argument whose mettle could only be proved in litigation. For a library wishing to digitize and/or circulate the orphan works in a collection, relying on the related assertion that the "nature" of the work is that it is unclaimed and represents a market failure may afford sufficient certainty to libraries and other institutions. Ignoring the complexity of fair use analysis disserves libraries and copyright holders alike in the orphan works context, as neither type of party can comfortably define use as fair solely based on a work's status as an orphan

Similarly, the first factor will frequently, if not uniformly, weigh in favor of a fair use finding for orphan works when it is a library, archives, museum or educational institution that wishes to avail itself of the work. A use aimed at promoting scholarship, awareness, and understanding is more likely to fall within the parameters of fair use. The third factor may not weigh in favor of fair use of orphan works, since most institutions wishing to make use of orphan works will

⁵ *Id.* at 14.

⁶ *Id.* at 15.

want to use them in their entirety. However, because courts look at the amount of a work necessary to achieve the purpose of the fair use, this factor will not defeat fair uses by libraries.⁷ Finally, the fourth factor will almost always favor the use of orphans, because even where a market exists for an orphan, by definition, one party to the transaction is missing. Use of an orphan work in this context will not damage the market for an owner who cannot be located; and in the event that she later presents herself, equitable relief must be available.

Thus, the uses to which libraries wish to put orphan works should all fit comfortably within the existing framework of fair use; but institutions may be leery because fair use is so rarely amenable to blanket rules. Legislation explicitly condoning the use of orphan works pursuant to a reasonably diligent search would obviate the necessity of making broad generalizations about fair use. Such generalizations undermine the precise balancing mechanisms of fair use and sometimes cause courts to stretch the definition of “transformative,” which bears on first fair use factor.⁸ Supplementing existing fair use doctrine with orphan works legislation would afford greater security to libraries, archives, museums and educational institutions whose educational, scholarly and preservation missions would be furthered by the use of orphan works.

These observations about the importance of legislation directed at easing the orphan works problem are most relevant where a library is faced with a particular orphan work whose use is in jeopardy. Though orphan works add complexity to the legal ramifications of mass digitization projects, such analysis overlaps with the fair use analysis pertinent to mass digitization projects generally. A particular item whose owner cannot be identified or located is no less subject to the vagaries of time or the likelihood that it “could disappear before [it] can enter the public domain and freely be repurposed” and just as it might be in the mass digitization context, where such “‘orphaning’ creates a large social cost, and a significant drag on

⁷ Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417, 449 (1984).

⁸ See, e.g., Campbell v. Acuff-Rose Music, Inc. 510 U.S. 569, 579 (1994).

the copyright system's purpose to encourage the spread of knowledge."⁹ These discrete items are particularly prone to disappearance because of the complexity of legal analysis they engender. The fact that many mass digitization projects and other uses of orphan works already qualify as fair uses under section 107 does not reduce the need for legislation. Rather, legislation would help effectuate some of the purposes which are already embedded in fair use doctrine.

II. The Merits of Limiting Remedies

As the 109th and 110th Congresses determined, limiting remedies is one way of assuring that good faith users can make use of orphan works. Because such limitations would allow libraries, archives, museums, and educational institutions to move forward with the distribution of orphan works in the context of mass digitization projects and on an occasional basis, these limitations are advisable as a means of buttressing the rights of such users under existing fair use law. Limitations on damages should be available to all good faith users, and should be remitted for good faith libraries, archives, museums and educational institutions. The reasons for separate treatment of these institutions are discussed at greater length in section III below.

In the 2005 comments submitted by The J. Paul Getty Trust et al., the foundations urged that an exemption-based solution (in their proposal, a "safe-harbor period that allows only for non-exclusive use and runs in increments of five years from the first publication of the user's work").¹⁰ Such a provision would not directly disserve libraries and other qualifying institutions, but it may represent an overreach; librarians and their counterparts at other academic institutions are the guardians of many works that may never have been created or distributed without the encouragement afforded by the Copyright Act. A five-year safe harbor could represent too great an incursion on an owner's rights during the life of a copyrighted work, in the rare case than an orphan work is claimed even after a reasonably diligent search for its owner.

⁹ Urban at 9.

¹⁰ Whalen letter at 12.

Just as section 107 “identifies various factors that enable a court to apply an ‘equitable rule of reason’ analysis to particular claims of infringement,”¹¹ orphan works legislation should instruct courts to consider the harm of different forms of injunctive relief to protected defendants, and to use the courts’ equitable powers to ensure that prospective relief does not prove costly to good faith defendants. Libraries, archives, museums and educational institutions that diligently attempt to identify copyright holders and then incur expenses in reliance on their searches should not face economic harm from punishing injunctive relief. Because rights holders will not be able to collect statutory damages, it is also important that they have the assurance of prospective relief. Under a provision instructing courts to balance the harms of injunctive relief, where good faith qualifying institutions have invested resources in an exhibit or other project whose immediate cessation would prove costly to the institution, a court can ensure that injunctive relief is not unduly burdensome to the institution while affirming a copyright holder’s ownership and subsequent right to exclusive use. While this particular provision would exceed current judicial powers under section 107, it would represent a sensible accommodation of the interests behind the fourth fair use factor. For the rare copyright holder who cannot be located but who later asserts her ownership, it is clear that the market for her work is related to and fostered by the work’s use by the museum or other entity. Though exclusive control of publication and performance is a facet of a copyright owner’s rights that is independent of the existence of a market, the impairment of this right in such a context is minimal. Further publication can be enjoined, while a balance of equities may favor allowing a qualifying institution to mitigate costs associated with the injunction against a given project.¹² As long as courts retain the power to afford such relief, libraries and other

¹¹ *Sony* at 448 (internal citations omitted).

¹² For example, where a museum has included an image of an orphan work in an exhibit catalogue, even if the work is removed from the exhibit pursuant to the demand of a purported copyright holder, equity would not require the destruction of all exhibit catalogues where the orphan work was included in good faith; a

institutions can proceed without the concern that good faith projects will be derailed entirely.

III. The Types of Users to Benefit: Separate Treatment of Libraries, Archives, Museums and Educational Institutions

Orphan works legislation that treats commercial and noncommercial entities separately seems an effective means of ensuring that legislation does not unduly expand existing fair use entitlements. Commercial users should be protected by orphan works legislation as well, but in order to avoid expansion of their existing fair use entitlements, courts should retain greater discretion when faced with a possibly infringing commercial use than when dealing with qualifying noncommercial users. Separate treatment of libraries, archives, museums and educational institutions will further the purposes of fair use.¹³ The existing exemptions for libraries and archives under section 108 of the Copyright Act are nonexclusive of these entities' fair use entitlements, and they serve the covered institutions by providing explicit rules under which to operate. Orphan works legislation that provides explicit carveouts for certain noncommercial entities could similarly promote scholarship and preservation without improperly interfering with the exclusive rights of copyright holders. By definition, the covered institutions would not profit from commercial exploitation of the work; injunctive relief in the case of any misidentified works that are not orphaned would ensure that a copyright holder could still control potential markets. An explicit savings clause

supplemental notice, perhaps an insert, of the copyright status of the once-orphaned work, might be in order.

¹³ As noted in The Section 108 Study Group Report (an independent report sponsored by the U.S. Copyright Office and the National Digital Information Institution), "[m]useums, libraries, and archives are not the same, of course, but they share fundamental missions: collection and preservation of, and access to, material of cultural and scientific importance for the purpose of furthering human understanding." THE SECTION 108 STUDY GROUP REPORT 32 (Mar. 2008). Similarly, not-for-profit educational institution may possess orphans not housed in qualifying libraries. Because of their similarity of mission, such institutions are subject to the same considerations as libraries and archives and should benefit from the specific protections of orphan works legislation.

remitting damages for libraries, archives, museums and educational institutions who are good faith users is an excellent way to promote the use and preservation of orphan works without compromising the integrity of unknown holders' rights. In comments submitted January 14, 2013, the Library Copyright Alliance (the LCA) urged that "Congress should consider a simple one sentence amendment to 17 U.S.C. § 504(c)(2) that grants courts the discretion to reduce or remit statutory damages if the user conducted a reasonably diligent search prior to use."¹⁴ In the case of libraries, archives, museums and educational institutions, however, there should be an exemption for which the court will retain discretion only to determine whether a reasonably diligent search was made; if so, statutory damages must be remitted.

a. Section 108, Fair Use and Orphan Works

Elsewhere in the Copyright Act, separate treatment of libraries and archives has proven an effective means of ensuring that public interest in access to copyrighted works is protected without harming copyright holders.¹⁵ Distinguishing libraries and archives from other users of copyrighted materials is one way of ensuring that "the public interest in dissemination of works is best served...[while] balanc[ing] the exclusive rights of creators and publishers against

¹⁴ Comments in Response to the Copyright Office's Notice of Inquiry Concerning Orphan Works and Mass Digitization from the Library Copyright Alliance (Jan. 14, 2013).

¹⁵ Under section 108(c) of the Copyright Act, libraries and archives have a right of reproduction as follows:

"The right of reproduction under this section applies to three copies or phonorecords of a published work duplicated solely for the purpose of replacement of a copy or phonorecord that is damaged, deteriorating, lost, or stolen, or if the existing format in which the work is stored has become obsolete, if—

(1) the library or archives has, after a reasonable effort, determined that an unused replacement cannot be obtained at a fair price; and

(2) any such copy or phonorecord that is reproduced in digital format is not made available to the public in that format outside the premises of the library or archives in lawful possession of such copy.

For purposes of this subsection, a format shall be considered obsolete if the machine or device necessary to render perceptible a work stored in that format is no longer manufactured or is no longer reasonably available in the commercial marketplace."

17 U.S.C. § 108.

the interests of subsequent users.”¹⁶ In addressing the orphan works problem, maintaining some distinctions between commercial and noncommercial users is an important means of ensuring that the burdens of diligent searching are properly allocated. The costs and burdens faced by a library that is undertaking projects involving many probable orphans may be prohibitive.

Plenty of commercial uses of orphan works might inure to the public benefit without harming holders, but these efforts, even to the extent that they aid in preservation of works susceptible to loss, are less likely to qualify for traditional fair use protection because of the nature of the use. Where commercial uses of orphan works do qualify for fair use protection, its viability as a defense is appropriately tested in court. Just as certain, limited reproductions made by a commercial entity might qualify as fair use but noncommercial actors have the benefit of section 108(c) to give them security when they make certain reproductions, explicit provisions for the mandatory remittance of statutory damages for noncommercial actors in the orphan works context would afford security to these without impairing existing fair uses.

While the present provisions of section 108 and the fair use doctrine offer protection for libraries seeking to preserve endangered collections, the type of item-by-item analysis they require for many large-scale projects, especially in a collection with many orphan or possibly orphaned works, may prevent some institutions from undertaking projects that would otherwise serve the purposes of fair use. As an example of the kind of cost-intensive and possibly inconclusive research that might be required, consider various films, all comprising footage of a parade, each film presumptively under copyright, none of which are presently deteriorating and which a library wishes to reproduce digitally. Such footage might be a valuable addition to a web exhibit mounted by the library about the development of immigrant identity in the Midwest during the middle of the twentieth century.

¹⁶ MARY RASENBERGER & CHRIS WESTON, OVERVIEW OF THE LIBRARIES AND ARCHIVES EXCEPTION IN THE COPYRIGHT ACT: BACKGROUND, HISTORY AND MEANING 1 (Apr. 14, 2005) *available at* <http://www.section108.gov/papers.html>.

While fair use doctrine protects the reproduction and sharing of the footage, whether its reproduction comfortably within section 108(c) is less clear, because the ability of the library to make a copy is conditioned in part on whether or not the footage has been published or not.¹⁷ The inquiry into the publication of footage will overlap with the search for the copyright holders, but for institutions whose budgets require stringent avoidance of risk, it represents a further impediment beyond that required by a reasonably diligent search. Even if the footage can be reproduced, its availability for inclusion in the online exhibit would be undertaken much more easily if orphan works legislation offered protection from damages.

As the J. Paul Getty Trust, The Metropolitan Museum of Art, and the Solomon R. Guggenheim Foundation urged in 2005, any definition of orphan works must “cover both published and unpublished works...the act of discerning whether a work has been published is often an impossibly challenging, fact-specific investigation that leads to no clear answer.”¹⁸ Institutions wary of litigation may abandon worthwhile archival and preservation efforts, even those that would fit comfortably within fair use or section 108, where litigious entities like the Authors Guild (which brought the suits against Google and, more ominously for libraries, the HathiTrust) threaten to derail the projects and occasion greater time and financial burdens than a given institution can comfortably shoulder.

b. Separate Treatment and Mass Digitization

Since the last round of official discussions on the orphan works issue in 2005-2006, mass digitization efforts on the part of Google and of noncommercial institutions have underscored the need for congressional guidance in the orphan works arena. The ambitious and aggressive Google Books project, which began in 2004 when Google, “[w]orking in close cooperation with several academic

¹⁷ Section 108(c) would not allow the footage to be shared on the website. Orphan works legislation along the lines proposed here would make such sharing possible, fulfilling the purposes of existing fair use doctrine.

¹⁸ Comments in Response to Orphan Works Notice of Inquiry, Maureen Whalen, et al., The J. Paul Getty Trust, The Metropolitan Museum of Art, and the Solomon R. Guggenheim Foundation (Mar. 24, 2005) (available at <http://www.copyright.gov/orphan/comments/>).

libraries...scanned and digitized more than 15 million books published both in the United States and abroad.” Neither Google nor the participating libraries received permission from copyright holders for the project. The Authors Guild and other aggrieved parties brought suit against Google, and later against the HathiTrust, which maintains a digital archive from scans of member libraries’ collections, provided to member libraries by Google; pleadings and orders in the latter litigation help provide insight into the legal position of universities, libraries, and other noncommercial institutions, and the way their position differs from that of commercial actors like Google.¹⁹

The HathiTrust litigation is instructive in this regard because of the differences between the legal position and mission of the HathiTrust (a non-profit consortium) and Google.²⁰ The court was unsympathetic to the claims of the Authors Guild against the HathiTrust, but the opinion is not binding and institutions wishing to undertake mass digitization projects, including those affecting orphans, may be deterred without more explicit legal protection. Importantly, the court denied the Authors Guild’s motion for a ruling that the mass digitization projects undertaken by HathiTrust were not shielded by, inter alia, fair use doctrine and section 108 exceptions. ²¹ Some libraries that are not affiliated with educational

¹⁹ A proposed settlement in the Google suit was rejected by the Judge Chin of the U.S. District Court for the Southern District of New York, who noted that “courts should encroach only reluctantly on Congress’s legislative prerogative to address copyright issues presented by technological developments.” *The Authors Guild v. Google Inc.*, No. 971 05-cv-08136 (S.D.N.Y. Mar. 22, 2011).

²⁰ HathiTrust is a program administered by the University of Michigan through agreements with other universities and various institutions, through which member institutions provide digital copies from their print collections (which have been provided to them, in the initial instance, by Google in exchange for use of the print copies). *The Authors Guild, Inc. v. HathiTrust*, No. 156, 11 CV 6351, at 21 (S.D.N.Y. Oct. 10, 2012).

²¹ The court analyzed the four fair use factors and found that though “the facts here may on some levels be without precedent, I am convinced that they fall safely within the protection of fair use such that there is no genuine issue of material fact.”

HathiTrust. While in many cases, libraries undertaking mass digitization projects will have similarly irreproachable fair use defenses, the rationale on which the *HathiTrust* court proceeded relied heavily on the fact that HathiTrust was making

institutions do not qualify for the protection of the Chafee Amendment, and so cannot benefit from the reasoning that supports mass digitization in *HathiTrust*.

Though the reasoning that supported the court's October 2012 decision in *HathiTrust* does not provide sufficient legal shelter for all noncommercial entities seeking to digitize their collections for archival or preservation purposes, the analysis does underscore the special policy considerations that should inform orphan works efforts by libraries and similar entities. The provisions of section 108 do not limit the entitlements of libraries under fair use²² and the overlap and interplay between section 107, governing fair use, and section 108, governing exemptions for libraries, should serve as a model for orphan works legislation. Many of the activities that are explicitly protected by section 108 fall within the ambit of fair use; the value of section 108 to libraries and archives is that it affords them a degree of certainty unavailable where there is recourse to the fair use doctrine alone. For example, even in areas where the contours of fair use doctrine are well established, the possibility of vexatious litigation exists for libraries who

searchable databases from the copyrighted material, and using the material to provide access to people with print disabilities. The court opined that these uses were "transformative," one of the considerations in determining whether the nature of a use qualifies it as "fair" within the meaning of 107. Additionally, the efforts to provide access to people with print disabilities, the court found, was allowable not only as a transformative use but because it helped to effectuate the mandate of the Americans with Disabilities Act. Many if not most libraries seeking to digitize their collections will also create searchable databases and make their digital copies available to promote access for the disabled, but because of the specter of litigation, some institutions may not have the resources to undertake digitization projects without greater legal certainty. Even if *HathiTrust* represented binding legal precedent, the nature of the University of Michigan as an authorized entity within the meaning of the Chafee Amendment played a role in the court's approval. The Chafee Amendment is a provision of the Copyright Act that allows reproduction of copyrighted works in specialized formats for the disabled. *See Briefing: Accessibility, the Chafee Amendment and Fair Use*, ASSOCIATION OF RESEARCH LIBRARIES. <http://www.arl.org/pp/ppcopyright/codefairuse/accessibility.shtml> (last visited Jan. 22, 2013) (noting that publishers have consistently argued that the Chafee Amendment does not apply to most educational institutions).

²² The argument that section 108 supplants fair use was advanced by the Authors Guild and rejected by the court, which found that "fair use does not undermine Section 108, but rather supplements it." *HathiTrust* at 8.

wish to avail themselves of newly developed technological means or who wish to conduct digitization activities to preserve their collections, including of published works, before those collections are in a state of deterioration within the meaning of section 108(c). Making such copies for the purposes of assembling data about the library's collection or providing better searching mechanisms for scholars almost certainly qualifies as a transformative use and therefore a fair one within the meaning of section 107, but institutions may wish to digitize and provide access to their collections before the mechanisms and means of developing a collection-wide database have been established.²³ Orphan works legislation is not necessary for institutions to undertake mass digitization projects, which are generally fair uses anyway, but for portions of institutions' collections for which copyright holders are not readily identifiable, it would provide helpful guidance as to what circulation was permissible.

c. Inclusion of Museums and Educational Institutions

Orphan works legislation that provides exemptions for certain noncommercial entities will best prevent the loss of works if it includes more entities than those covered by section 108.²⁴ At present, section 108 protections do not explicitly extend to museums, though they are presumed to extend to libraries or archives within museums where these are open to the public or specialized researchers.²⁵ Orphan works of interest, whether for the purposes of mass digitization or for good faith use as orphaned, are as likely to exist in museums and educational institutions as they are in libraries or archives. To ensure robust

²³ These libraries cannot rely on section 108 to make reproductions without having made determinations about the deterioration and the availability of replacements, in the case of published works; in the case of works which may be orphaned, especially, this task may put some institutions in a difficult position, where the impetus to assemble an archival digital collection is already established, but there is uncertainty as to the extent to which works whose copyright holders are unlocatable can be circulated.

²⁴ The Section 108 Study Group Report recommended expanding section 108's coverage to museums. See footnote 13, *supra*.

²⁵ See, e.g., PETER B. HIRTLE, EMILY HUDSON & ANDREW T. KENYON, COPYRIGHT & CULTURAL INSTITUTIONS: GUIDELINES FOR U.S. LIBRARIES, ARCHIVES & MUSEUMS 111 (2009).

academic and cultural exchange, noncommercial users explicitly protected by orphan works legislation should include libraries and archives as defined by section 108 as well as 1) museums, subject to the same requirements regarding public access as qualifying libraries and archives and 2) educational institutions as defined in the Digital Millennium Copyright Act, 17 U.S.C. §§ 512, 1201-1205, 1301-1332; 28 U.S.C. § 4001 (2006). Whatever the harms that unknown, unlocatable copyright holders may fear, the availability of equitable relief for any unauthorized use would not be eliminated against exempt entities, but would be subject to balancing that accords with the aims of sections 106 and 107.

IV. The Role of Licensing and Hurdles to Developing Registries

Various licensing schemes have been proposed in the orphan works context. While such systems could prove workable, they are also costly. Canada's experience in delegating power to its Copyright Board to issue licenses has demonstrated certain burdens that do not counsel in favor of adoption of similar provisions here.²⁶ Because of market inefficiencies associated with a licensing scheme, there are good policy reasons to eschew such an approach in the United States.

When these downsides are considered in light of the fair use analysis, licensing schemes for orphan works seem particularly ill-advised. Such schemes would narrow existing rights for users under section 107, by allowing for the licensing of rights that do not exist under present fair use doctrine. There should not be a provision for the licensing of rights that would not otherwise exist.

V. Registry Improvement

The Register's efforts to improve the quality and searchability of Copyright Office records will help would-be users of orphan works by making searches easier and reducing the likelihood that any users will mistakenly identify an orphan work. For some libraries and other noncommercial institutions, the cost of a diligent search could be prohibitive in some instances; improved records and easier searching will significantly reduce these costs. Armed with better information

²⁶ See, e.g., Orphan Works and Mass Digitization Notice of Inquiry, 77 Fed. Reg. 204, 64,555 (Oct. 22, 2012).

about the status of works in their collections, libraries, archives, museums and educational institutions will be better able to make determinations about the all works, whether they are orphans or not. However, the use of these works will still require certainty that an institution will not be exposed to a chilling level of risk. The valuable efforts to improve copyright records will certainly help reduce the occurrence of the orphan works problem, but it will not eliminate legal uncertainty for many institutions. Thorough, readily searchable records will ensure that copyright holders can assert their rights more easily; legal protection for institutions in possession of works whose copyright ownership defies tracking will ensure that important social, historical and cultural materials do not molder in collections because of indifferent or nonexistent rightsholders.

VI. Conclusion

Enactment of orphan works legislation that contains explicit protection from damages and disproportionately burdensome injunctive relief for libraries, archives, museums and educational institutions is desirable. It would serve those entities by providing guidance when nettlesome issues arise because of difficulties posed by unattributed works or unlocatable creators. While commercial uses of orphan works may not always qualify for fair use protections, the express remittance of statutory damages, along with assurance that courts retain equitable powers to prevent needless loss for libraries, archives, museums and educational institutions, would not expand existing entitlements but rather would bolster already valid fair use defenses.



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