

**COMMENTS OF RUTGERS UNIVERSITY LIBRARIES
IN RESPONSE TO NOTICE OF INQUIRY CONCERNING
ORPHAN WORKS AND MASS DIGITIZATION**

The Rutgers University Libraries are pleased to respond to the Notice of Inquiry of the United States Copyright Office, Library of Congress, on Orphan Works and Mass Digitization, published in the *Federal Register* on October 22, 2012. We appreciate the opportunity to comment on this issue of great importance to the digital future of libraries and archives.

Question 1

Orphan Works on an Occasional or Case-by-Case Basis. With respect to the occasional or isolated use of an orphan work, how has the legal landscape or legal thinking evolved in the last four years? The 2008 proposed legislation included several key components: (a) a good faith, reasonably diligent search for the copyright owner; (b) attribution to the author and copyright owner, if possible and appropriate under the circumstances; and (c) a limitation on remedies that would be available if the user proves that he or she conducted a reasonably diligent search. Good faith users were expected to consult the Copyright Office website for practices proffered by copyright owners and users alike under the direction and coordination of the Register of Copyrights. The legislation included special provisions for certain noncommercial actors using orphan works in a noncommercial manner, as a further attempt to reduce liability for those perceived to be most risk-averse under current law. Moreover, the legislation would have applied to all kinds of copyrighted works, published or unpublished, from photographs to manuscripts to music and books. Please comment on the continued viability of the above framework in the case of occasional uses of orphan works.

Legal landscape

Since 2008 progress on orphan works in the United States has been slow, while the legal landscape has continued to reflect differences between the interests of content users and right holders. During discussions of proposed legislation in 2006 and 2008 it was possible to speak of maintaining a balance between the interests of authors and copyright holders and of the public. In the current landscape, the scale of digital innovation enabling new types of uses often challenges the notion of balance. Recent litigation against universities and libraries reflects continued differences on how copyrighted works should be protected and used.¹

In the last four years no litigation has led to a ruling on the full text use of orphan works. The recent lawsuits challenging universities have had limited application to the issue. However, the number of objections to the Google Book Settlement, particularly from foreign right holders, is

¹ *Cambridge U.P. v. Patton*, No. 08-1425 (N.D. Ga. filed April 15, 2008), *Cambridge Univ. Press v. Becker*, Civ. Action No. 1:08-CV-1425-ODE; *Authors Guild, Inc. v. HathiTrust*, No. 11 CV 6351 (S.D.N.Y. filed Sept. 12, 2011); *AIME et al. v. Regents of Univ. of Cal. et al.*, No. CV 10-9378 (C.D. Cal. Oct. 10, 2011).

an indication that this orphan works issue is a major concern for digitization initiatives and that a solution will not be satisfactory unless it adequately covers the interests of all stakeholders. Understandably the delay in progress on orphan works in the United States may be attributed to the anticipation of a ruling in the Google case. As the United States has waited, other countries have moved forward on solutions regarding orphan works, in part to control their cultural heritage in reaction to the subsequently rejected Google Book Settlement.

Continued viability of 2008 framework

We think that the concepts of balance, good faith, and reasonable behavior still have meaning in the orphan works framework. The language and concepts in proposed orphan works bills in 2006 and 2008 may be too cumbersome for newly proposed legislation, but we suggest that several concepts from those bills be retained with respect to occasional or isolated use of an orphan work: a) a good faith, reasonably diligent search for the copyright owner; (b) attribution to the author and copyright owner, if possible and appropriate under the circumstances; and (c) a limitation on remedies if the user proves that he or she conducted a reasonably diligent search. We believe that there is value in having a specific orphan works provision in the copyright law.

Occasional or isolated uses of orphan works for research, teaching, and scholarship and other purposes, both digital and non-digital, often seem entirely reasonable but are stymied by lack of certainty. For uses such as including an orphaned non-professional photograph in a scholarly article, or copying an orphaned scholarly article for non-profit teaching purposes, the framework for a reasonably diligent search, attribution, and a limitation on remedies would alleviate uncertainty.

Role of due diligence

Many libraries and archives carry out reasonably diligent searches as a regular practice, although the standards have not been formalized. We do this typically to assess the feasibility of digital projects. Aside from copyright law, assessments may involve publicity and privacy law, confidentiality, requirements of Institutional Review Boards for research on human subjects, conditions in grant funding agreements, and embargoes. Some level of judgment is needed to determine if there are legal restrictions associated with the works from donor agreements, release forms, consent forms, and licenses. Our experience is that these assessments are not necessarily onerous, that they are sensible relative to the works in question, and that they are fair.

The threshold requirements of a reasonably diligent search for the copyright owner vary according to the work in question. Sometimes the search path is short due to lack of identifying information, sometimes it is longer, and sometimes it leads to dead ends. Unpublished works often require a different kind of assessment in light of the author's right of first publication and

privacy interests.² In most cases, the reasonably diligent search leads to a conclusion that is more reasonable than it would have been without such a search.

Some level of due diligence is needed to determine that a work is an orphan and thus any specific exception will require some kind of diligent search. Diligent searches will be a requirement in orphan works provisions being implemented in nations of the European Union under the new European Union Directive on Certain Permitted Uses of Orphan Works adopted in October 2012.³ Diligent searches are part of orphan works legislation in Canada and Hungary, and have been proposed in U.K. legislation on orphan works.⁴

The need for a framework for assessing occasional or isolated uses of orphan works will continue into the digital future. Orphan works will continue to be generated; this is not only a matter of dealing with the past. We think that the certainty provided by an orphan works exception would likely be worth the effort of a reasonably diligent search.

We appreciate the Register's plans to improve the quality and searchability of Copyright Office records and welcome this effort. Although most unpublished works and most foreign works have not been recorded with the Copyright Office, digital access will help greatly in searches for records of U.S. works.

We do not support the idea of a mandatory registry for records of searches for digitized orphans, or notices of use, as was proposed in S. 5889. However, it is important for libraries and archives to avoid duplication of effort. It is worth noting the positive reactions to the Accessible Registries of Rights Information and Orphan Works (ARROW) developed by the European Union to aid in diligent searches. A recent study has indicated that this tool reduces the time

² Opinions differ on the need to consider the author's right of first publication. See United States Copyright Office, *Report on Orphan Works* (January 2006), 100, 102, <http://www.copyright.gov/orphan/orphan-report-full.pdf>; Library of Congress, Copyright Office, Notice of Inquiry on Orphan Works, *Federal Register* 70, no. 16 (January 26, 2005): 3743, <http://www.copyright.gov/fedreg/2005/70fr3739.html>.

³ Directive 2012/28/EC of the European Parliament and of the Council of 25 October 2012 on Certain Permitted Uses of Orphan Works, 2012 O.J. (L 299), <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:299:0005:0012:EN:PDF>. See in particular recitals 13-16; article 3.

⁴ Copyright Office, Library of Congress, Notice of Inquiry on Orphan Works and Mass Digitization [Docket No. 2012-12], *Federal Register* 77, no. 204 (October 22, 2012): 64559-60, <http://www.copyright.gov/fedreg/2012/77fr64555.pdf>. See also David R. Hansen, Gwen Hinze, and Jennifer Urban, "Orphan Works and the Search for Rightsholders: Who Participates in a "Diligent Search" Under Present and Proposed Regimes?" Berkeley Digital Library Copyright Project, White Paper No. 4 (January 28, 2013), http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2208163.

involved in undertaking a diligent search, provides more efficient clearance mechanisms, and gives cultural institutions more legal certainty.⁵

It is also worth noting that in the United States tools such as The Durationator,TM being developed at Tulane University Law School to determine the copyright status of a work, will facilitate reasonably diligent searches.⁶ Libraries spend significant time on the technical aspects of digitization and on the creation of metadata. Time spent on reasonably diligent searches to establish with certainty that a work is in the public domain, or with reasonable certainty that it is orphaned, would be time spent productively.

Interplay between orphan works and fair use

Relying on fair use alone might serve as a legislative solution for occasional or isolate uses, but there are benefits to having a separate orphan works provision that offers clarification and certainty beyond the language of §107. To be clear, we think that uses of orphan works by libraries and archives and by the public very often constitute a fair use. But fair use in the landscape of mass digitization might too easily become an opt-out system that rationalizes most uses by exploiting ambiguity and offers little recourse outside of costly and time-consuming legal action.

In the current climate, fair use could easily turn into an opt-out system, a *carte blanche*, that would unfairly affect right holders by leaving them the sole option of filing lawsuits in federal district courts to resolve disputes on a massive scale. Most ordinary people do not have the means – the knowledge, time, or resources – to litigate over uses of their works. The 2006 *Report on Orphan Works* recognized this.⁷ If only the wealthiest and most determined right holders are able to enforce their rights and livelihoods, we will have disenfranchised many highly creative and talented individuals.

A specific provision for orphan works will mitigate the ambiguity of fair use without hindering reasonable and fair uses of works. At the same time, if a separate orphan works provision is adopted, it should contain a savings clause similar to that in 17 U.S.C. § 108(f)(4), as was proposed in the *Report on Orphan Works*.⁸

⁵ Barbara Stratton, “Seeking New Landscapes: A Rights Clearance Study in the Context of Mass Digitisation of 140 Books Published between 1870 and 2010 (The British Library, 2011), <http://www.arrow-net.eu/sites/default/files/Seeking%20New%20Landscapes.pdf>.

⁶ The DurationatorTM (beta test website), accessed February 3, 2013, <http://www.durationator.com/>.

⁷ “We are sympathetic to the concerns of individual authors about the high cost of litigation and how, in many cases, the individual creator may have little practical recourse in obtaining relief through the court system.” *Report on Orphan Works*, 11, 114.

⁸ *Report on Orphan Works*, 14.

New approaches to remedies for small copyright claims, also proposed in the *Report on Orphan Works* and being considered by the Copyright Office, may also provide a solution.⁹

Best practices for good faith users

We agree that creating best practices or guidelines for good faith users under the direction and coordination of the Register of Copyrights could be helpful. They should be adequate to establish that the path to finding a copyright holder is nonexistent or extremely challenging and likely not to succeed, but they should not be onerous. The objective should be to establish with reasonable certainty that the work is an orphan. An overly extensive requirement for the diligent search would make searches unfeasible and would be a major disincentive to digitize orphan works. Because possibilities for conducting searches will change over time, there will be a need to see that guidelines do not become frozen. The idea of general voluntary guidelines, that offer a standard for reasonably diligent searches in return for greater certainty but do not constitute a formal, binding regulation, should be considered.

Special provisions for certain non-commercial actors

We think that special provisions in the draft 2008 legislation for certain noncommercial actors using orphan works in a noncommercial manner, as a further attempt to reduce liability, are viable with respect to occasional or isolated uses. They are less applicable in uses involving mass digitization because, even if originally conducted by non-profit libraries and archives, these uses are not isolated and open up significant commercial potential for other players in the digital marketplace.

Meaning of occasional or isolated use

We understand an occasional or isolated use to be one that does not enable or easily facilitate other uses implicating copyright law. The access contemplated in some digitization initiatives, on the other hand – placing a work on the open Internet for public use – triggers and encourages future uses. Because of the practical impossibility of taking down works on the Internet once they have been placed there and have circulated – have been copied, reused, and added to other websites, the first large-scale access use,¹⁰ placing a work online, is often irrevocable. Once a use has been made of a work online, the work often cannot be brought down from all sites to which it has been copied. Occasional or isolated uses have a different character from “gateway” uses that trigger multiplication of copies across the Internet.

⁹ United States Copyright Office, Remedies for Copyright Small Claims, last modified December 4, 2012, <http://www.copyright.gov/docs/smallclaims/>.

¹⁰ The *Report on Orphan Works* defines large-scale access uses as “situations where users wish to make a large quantity of works available to the public,” and typical large-scale access users as academic or non-profit institutions, such as libraries, archives or museums. *Report on Orphan Works*, 37, 122-124.

An isolated use does not constitute a publication or republication, a public display, a public distribution, or a public performance.

Application of orphan works legislation to all kinds of copyrighted works

With respect to the occasional or isolated use of an orphan work, orphan works legislation should apply to all kinds of copyrighted works, published or unpublished, from photographs to manuscripts to music and books. We note the current challenges with pre-1972 sound recordings.¹¹

Question 2

Please comment on potential orphan works solutions in the context of mass digitization. How should mass digitization be defined, what are the goals and what, therefore, is an appropriate legal framework that is fair to authors and copyright owners as well as good faith users? What other possible solutions for mass digitization projects should be considered?

Of no small significance in the orphan works discussion is the distinction between occasional or isolated uses and uses involving mass digitization, that, even if originally conducted by non-profit libraries and archives, create significant commercial possibility in the digital marketplace. We think that the concepts of a good faith, reasonably diligent search, attribution, and a limitation on remedies are also appropriate in the context of mass digitization.

Definition of mass digitization

Mass digitization in the library and archival community has been defined in contrast to niche digitization and large scale digitization. Niche digitization, involving careful, individual selection of material, is often associated with preservation needs or efforts to showcase rare or distinctive physical collections. Large scale digitization is about creating complete, coherent collections of documents on a large scale. Mass digitization is conducted on an industrial scale, involving the digitization of entire libraries without selection of individual materials.¹²

Mass digitization is defined differently in the United States Copyright Office report on mass digitization:

As an initial matter, “mass digitization” is not a scientific term. In the context of books, it has come to mean large-scale scanning. It may also refer to a systematic methodology or approach. There seems to be a consensus that the Google Books project, which has

¹¹ United States Copyright Office, Federal Copyright Protection for Pre-1972 Sound Recordings: A Study on the Desirability of and Means for Bringing Sound Recordings Fixed Before February 15, 1972, Under Federal Jurisdiction, last modified December 28, 2011, <http://www.copyright.gov/docs/sound/>.

¹² See Karen Coyle, “Mass Digitization of Books,” *Journal of Academic Librarianship* 32, no. 6 (November 2006): 641-45; <http://www.kcoyle.net/jal-32-6.html>.

scanned and digitized more than 15 million books from research libraries and continues to scan more at a rapid rate, qualifies as a mass digitization. It is possible, however, that a project capturing far fewer books might also be considered mass digitization.¹³

In either case, mass digitization is generally about systematically scanning works with the ultimate objective of making them available electronically. This might include making them publicly available on the Internet. Assimilated to mass digitization is smaller scale digitization for the purpose of making works publicly available on the Internet. Making works publicly available on the Internet might constitute publication or republication.¹⁴

Goals of mass digitization

Stakeholders have various goals for mass digitization. *Libraries and archives* were the first to recognize that much of the published and unpublished intellectual output of the 20th century has become inaccessible to the world, that the world of books formerly accessible to most people has been lost. It is not possible for a person not affiliated with a college or university or major public research library to gain access to published literature from the 20th century or to archival materials easily, or at all.

Libraries and archives have a responsibility to preserve and provide access to their collections for the public good. The framework for orphan works, in the United States as well as in Europe, is non-commercial. Libraries and archives wish to ensure the widest dissemination of knowledge with the objective of providing non-commercial online access to orphan works.

As outlined in the *Report on Orphan Works*, users seek access to works for any number of reasons: for purposes of private study, research, or scholarship, for teaching, for enthusiast or hobbyist uses, and for other private uses.¹⁵ They also sometimes access them for commercial uses.

Technology companies associated with copyrighted works create new markets in information access, searching, data processing, data mining, and sharing. Library and archival collections

¹³ Office of the Register of Copyrights, *Legal Issues in Mass Digitization: A Preliminary Analysis and Discussion Document* (October 2011), 8-9, http://www.copyright.gov/docs/massdigitization/USCOMassDigitization_October2011.pdf.

¹⁴ "'Publication' is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication. To perform or display a work "publicly" means –

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered; or
(2) to transmit or otherwise communicate a performance or display of the work to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times." 17 U.S.C. §101.

¹⁵ *Report on Orphan Works*, 3.

constitute the raw material for their innovative applications and functionalities. In facilitating uses of information, technology companies have various goals, including simply that of profit. They are likely the stakeholders with the most to gain economically from mass digitization.

Toward an appropriate legal framework

Whether mass digitization is accomplished by non-profit entities, by individuals, or by technology companies, it creates wealth for the technology sector through such indirect commercial uses of the digitized works as targeted advertising, information profiling, tracking, use in social media, and use by governments. Placing vast amounts of orphan works on the Internet will increase the potential for profit by technology companies. The ability of many creators and copyright holders to derive economic value from their works will continue to be affected by new business models aimed at expanding digital markets.

Libraries and archives have a great interest in removing unnecessary obstacles to productive uses of works. It also seems productive to consider that when massive profits are made indirectly from use of copyrighted works in a digital landscape that relies heavily on the idea of “sharing,” there should be a responsibility to share back with the people, groups, and communities that made such gains possible.

Character of uses, users, and beneficiaries

The *Report on Orphan Works* outlines categories of proposed uses, including *large-scale access uses*, and it describes a category of *large-scale access users* as “typically a library, archive or museum that has a large-number of works that it would like to make available to the public, such as through its web site or as part of an exhibition.”¹⁶

We suggest the concept of *large-scale access beneficiaries* to describe entities that benefit financially from copyrighted works indirectly. Beneficiaries include search engines, social media companies, and file-sharing sites that profit from advertising and other revenues based on volume of use and other criteria.

An economic solution to the orphan works issue and to tensions between the copyright system and new technologies in general might lie in tax law, perhaps through a new type of fee for commercial entities that benefit from indirect use of copyrighted works *en masse*. Because the scale of use and of benefit is so vast, the idea of a “digital gains” tax for indirect use of content in the aggregate may be worth considering, if its implementation would not be unduly burdensome. The idea of licensing fees that “would escheat to either the Copyright Office (or whatever other organization is administering the fees), to an arts organization such as the

¹⁶ *Report on Orphan Works*, 122.

National Endowment for the Arts, or to an organization that supports artists in the same field as the orphan work” was included in the *Report on Orphan Works* based on comments from various stakeholders.¹⁷

Alternatively, there might be a need to consider the space in which digitized orphans live, and to create a non-commercial digital environment where commercial uses of orphan works could not be made directly or indirectly. Libraries and archives are places where people seek information freely, without being a “product” in a commercial scenario, and where content is not commercially exploited. Thus it seems fair that orphan works digitized under an exception for non-profit libraries and archives should not be used to create new commercial products or services without compensation.

Character of the work

There is increasing awareness that not all copyrighted works have the same characteristics, that not all were created with the same intention, and that a reconsideration of the second fair use factor – the nature of the work – might help in resolving the orphan works question. Works in which the copyright holder does not have and never had a commercial interest or an interest in enforcing the copyright might be treated differently.¹⁸ This approach is very promising.

It is also true that if authors never expected their works to be used commercially, those wishes still have relevance. These authors might not have wanted their works to be reused in commercial contexts. If the author had no commercial interest in creating the work, there is no reason to assume that he or she would support commercial use of the work today. For this reason, the character of the use is as relevant as the nature of the work, and indirect commercial uses may need to be taken into account when considering the “intentions” of the copyright holder of an orphaned work. The landscape is changing as members of the public increasingly sense that economic exploitation of works in indirect ways may be counter to the public interest. Reducing the commercial possibilities for orphan works might provide a fairer and more reasonable framework.

Potential solutions

We have identified a number of changes in the legal landscape and thinking in the last four years that we think are important in the orphan works discussion. Elements of an effective orphan works statute might include:

- A good faith, reasonably diligent search for copyright owners of works or sets of works and reasonable standards for the searches

¹⁷ *Report on Orphan Works*, 85.

¹⁸ Jennifer M. Urban, “How Fair Use Can Help Solve the Orphan Works Problem,” *Forthcoming 27 Berkeley Technology Law Journal* __ (2012), http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2089526.

- Attribution to the author and copyright owner, if possible and appropriate under the circumstances
- A limitation on remedies if the user proves that he or she conducted a reasonably diligent search
- Remedies for small copyright claims as a possible solution
- A possible “digital gains” tax or fee on stakeholders who make commercial uses of orphan works and other copyrighted content in large-scale Internet transactions and entrepreneurial digital activity in the shared system of the Internet
- The possibility of creating a non-commercial digital environment where commercial uses of orphan works may not be made directly or indirectly.

Conclusion

An effective legal solution to enable the mass digitization of orphan works will balance technology innovation relative to right holder interests in copyrighted works, will support the non-commercial objective of digitization by libraries and archives, and will take into account the commercial potential of digitized orphan works using new technologies. The discussion will benefit from taking a realistic look at the actual and potential gains by industries in asserting and maintaining control over copyrighted works. We hope that a solution will be found that works for the many stakeholders in society for whom orphan works represent an opportunity in the digital future.

Respectfully submitted by:

Marianne I. Gaunt
Vice President for Information Services and University Librarian

Janice T. Pilch
Copyright and Licensing Librarian

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