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REASON OR MADNESS: A DEFENSE OF COPYRIGHT'S GROWING PAINS

MARC H. GREENBERG

ABSTRACT

A growing conflict between the creators and owners of expressive works protected by copyright law and the community of users and distributors of those works has focused on whether the law is so restrictive that it no longer meets the constitutional mandate that intellectual property law should serve to promote the growth and development of useful and expressive works. Has the scope of copyright's growth been reasonable, or are its restrictions madness, and harmful to the development and distribution of art? This article explores the seven leading criticisms leveled against copyright's expansion, and examines one recent effort at legislative reform (the Orphan Works Act of 2006), and concludes that while improvements remain needed, the recent growth has been a measured and reasonable response to the divergent needs of the creators and users of works protected by copyright.

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REASON OR MADNESS: A DEFENSE OF COPYRIGHT'S GROWING PAINS

MARC H. GREENBERG*

PREFACE

The inspiration for this article came from my attendance a few years ago at an American Association of Law Schools (“AALS”)¹ panel of First Amendment scholars. The subject of the panel was the effect intellectual property law, and in particular, copyright law, had on free speech rights. One of the panelists asserted the view that copyright law posed the greatest threat to First Amendment freedoms in this generation. Although probably intentionally overstated, this provocative statement exemplified the passionate feelings of many in the academy.

Over the last twenty years, a debate has been growing between scholars and practitioners over whether the duration and scope of U.S. copyright law has expanded, by case law and by statutory enactments, to the point where it now limits, and even endangers, the First Amendment rights of creators of expressive works.² In short, the question is whether any growth of copyright protection has been the result of reasoned analysis and a careful weighing of policy considerations, or has it been an exercise in madness—uncontrolled growth that has damaged the cultural environment and the creativity of artists and the public at large. As Professors Paul Schwarz and William Michael Treanor have noted, among these scholars who seem to characterize this growth as madness are such leading lights in the intellectual property (“IP”) law universe as Yochai Benkler, Lawrence Lessig, and Robert Merges.³

The duration argument has focused on the recent extension of copyright protection to the life of the author plus seventy years.⁴ Concerns have been

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** Available at www.jmripl.com.

¹ See generally The Association of American Law Schools, <http://www.aals.org> (last visited October 26, 2007). AALS is an organization made up of most, but not all, of the American law schools accredited by the American Bar Association (“ABA”). *Id.*

² See generally *L.A. News Serv. v. Tullo*, 973 F.2d 791, 795–96 (9th Cir. 1992) (holding the First Amendment did not preclude liability for infringement of copyrights and rejecting Nimmer’s contention that the idea-expression dichotomy and the fair use doctrine may not adequately protect First Amendment interests as being not applicable in the case *sub judice*); *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257, 1265 (11th Cir. 2001) (discussing how the Copyright Clause and the First Amendment were drafted to work together to prevent censorship); 1 HOWARD B. ABRAMS, *LAW OF COPYRIGHT* § 1:24 (2007).

³ Paul M. Schwartz & William Michael Treanor, *Eldred and Lochner: Copyright Term Extension and Intellectual Property As Constitutional Property*, 112 YALE L.J. 2331, 2332 (2003).

⁴ Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, tit. 1, 112 Stat. 2827 (1998) [hereinafter CTEA] (codified as amended at 17 U.S.C. § 302 (2006)).

expressed that this term extension exceeds the “reasonable time” grant found in Article I, Section 8 of the Constitution.⁵ Critics argue that many creative works are now protected beyond their useful life and that but for the statutory grant, would be otherwise available to third parties to reprint in online and other archival versions.⁶ These “orphan copyrights” are not available, the critics argue, because the statutory grant interferes with other uses of the works.⁷

A similar criticism is leveled against the derivative rights protection afforded to copyright holders.⁸ Some artists argue that granting creators the right to prevent others from using the first work as a basis for creating a new work is antithetical to the creative process.

I take a contrary view. I support the position of the Copyright Office and a minority of scholars to the effect that the copyright law does provide adequate safeguards, through such provisions as the Fair Use Law,⁹ to balance the rights of first creators against the rights of those that follow them.¹⁰ Following a brief introduction, Section One of this article will analyze the merits of seven of the leading arguments against existing copyright law. These arguments are derived from the writings of Professors Yochai Benkler, Jed Rubenfield, C. Edwin Baker, and Neil Weinstock Netanel, which cogently and in great detail outline the basis for their views.

Section Two analyzes and critiques the currently pending effort of the Copyright Office and Congress to offer a moderate answer to the Orphan Copyright issue, in the form of the “Orphan Works Act of 2006,” and suggests that this legislation, together with other moderate proposals to address concerns created by the scope of derivative works, may provide a framework for improving copyright law, without taking some of the more drastic reformative steps proposed by its principal critics.

Noted American satirist Ambrose Bierce defined “Justice” in his brilliant book, *The Devil's Dictionary*, thusly: “A commodity which in a more or less adulterated condition the State sells to the citizen as a reward for his allegiance, taxes and personal service.”¹¹ In this short essay I hope to demonstrate the copyright law, with only some minor alterations, can continue to provide even Bierce's jaded citizens with their fair share of justice.

⁵ See, e.g., *Eldred v. Ashcroft*, 537 U.S. 186, 242 (2003) (Breyer, J., dissenting) (stating “[t]he economic effect of this 20-year extension—the longest blanket extension since the Nation's founding—is to make the copyright term not limited, but virtually perpetual”).

⁶ *Id.* at 249–54.

⁷ *Id.* at 247–52.

⁸ See 17 U.S.C. § 106 (granting derivative rights protection to copyright holders).

⁹ 17 U.S.C. § 107.

¹⁰ See, e.g., Schwartz & Treanor, *supra* note 3, at 2409; Kevin D. Galbraith, Note, *Forever On the Installment Plan? An Examination of the Constitutional History of the Copyright Clause and Whether the Copyright Term Extension Act of 1998 Squares with the Founders' Intent*, 12 *FORDHAM INTELL. PROP. MEDIA & ENT. L.J.* 1119, 1146–48 (2002); Julia D. Mahoney, Book Review, *Lawrence Lessig's Dystopian Vision*, 90 *VA. L. REV.* 2305, 2322–23 (2004).

¹¹ AMBROSE BIERCE, *THE DEVIL'S DICTIONARY* (1911), reprinted in AMBROSE BIERCE, *THE DEVIL'S ADVOCATE: AN AMBROSE BIERCE READER* 279 (Brian St. Pierre ed., Chronicle Books 1987).

INTRODUCTION

Professors Schwarz and Treanor refer to the champions of the attack on copyright as “IP Restrictors.”¹² This characterization, while probably accurate, seems a bit incendiary, and likely drew objections as being overly pejorative. For purposes of this article, I opt for the more restricted and less inflammatory characterization of their view as “Copyright Critics.”

The Critics present an array of arguments in support of their viewpoint. In Section One of this article, I examine what I consider to be the primary seven arguments, which are as follows:

a. Argument One: The expansion of copyright protection has been driven by media conglomerates, who have received from the legislature an allocation of entitlements, to the significant detriment of individuals and the public at large.

b. Argument Two: Copyright’s principal purpose is to provide economic benefits to owners—this property right should not trump the First Amendment rights of users.

c. Argument Three: Changes in the scope and term of copyright law since the 1970 Nimmer article, as well as the nature of digital technology and the greater ease achieved in copying content, render Nimmer’s immunity doctrine out of date and in need of change.

d. Argument Four: Since copyright deals with content, the law should be subject to a strict scrutiny analysis as to its impact on First Amendment rights, and under such scrutiny, it clearly violates the First Amendment rights of users.

e. Argument Five: Some form of compulsory licensing for all copyrighted works should be sufficient to address the concerns of owners, which after all are principally economic in nature.

f. Argument Six: Free speech rights include the right to use the words or other expression of another in expressing your own point of view.

g. Argument Seven: The idea/expression doctrine and the fair use doctrine have become too rife with uncertainty to afford meaningful protection to users.

I. CRITICAL ANALYSIS OF THE SEVEN ARGUMENTS

A. Argument One: The Expansion of Copyright Protection Has Been Driven by Media Conglomerates, Who Have Received from the Legislature an Allocation of Entitlements, to the Significant Detriment of Individuals and the Public at Large.

There are two key arguments presented within this first category. The first argument is that although copyright law, prior to the Copyright Act of 1976, both in duration and in scope, reflected a fair balance between the rights of authors to levels of protection for their original works which would serve as an incentive for them to continue their creative efforts, that balance has been irrevocably altered to the detriment of individual artists and the public by the expansion of copyright protections—an expansion fueled by the desire of media conglomerates to extend

¹² Schwartz & Treanor, *supra* note 3, at 2322.

their control over creative expression. The second argument is that the amazing ease afforded by digital media to manipulate and distribute creative works gives rise to a whole new paradigm of use by third parties of copyrighted works, a range of use that should be allowed, and not hindered by the media conglomerate owners of copyright protected works.

The proponents of this view are many, and their arguments can be found in a variety of books and articles. For purposes of this article, three law review articles provided the principal source of these arguments: Jed Rubenfield, *The Freedom of Imagination: Copyright's Constitutionality*,¹³ C. Edwin Baker, *First Amendment Limits on Copyright*,¹⁴ and Neil Weinstock Netanel, *Locating Copyright Within the First Amendment*.¹⁵ While there are many other articles and authors to choose from as presenters of the Critics' arguments, these three articles well exemplify these arguments and the grounds in support of them.

Turning to the first argument, it is necessary to briefly summarize several key elements of copyright law which changed with the passage of the Copyright Act of 1976.¹⁶ By making changes to the formalities needed to obtain and retain copyright, Congress moved away from an "opt-in" system of copyright protection, to an "opt-out" system. This is a fundamental change in approach.

Prior to 1976, the term of copyright protection had been an initial period of twenty-eight years, with a right, subject to compliance with a series of formalities, to renew protection for another twenty-eight years.¹⁷ The initial right to the first twenty-eight years required an owner or creator to go through a formal registration process.¹⁸ After the maximum protection period of fifty-six years, accomplished through registration of the copyright for both of the allowable terms, the work went into the public domain, divesting the owner of the copyright of all rights to the use of the work thereafter.¹⁹ Another significant obligation of the copyright owner was to conspicuously place notice of their claim of copyright, through the use of the international symbol ©, on all copies of the work.²⁰ In short, creators or owners who desired to avail themselves of the benefits of copyright protection had to opt-in to the system by compliance with these formalities. Failure to register, or renew, or display the required notice, resulted in a dedication of the work to the public domain.²¹

By 1976, Congress felt that this opt-in system had generated problems for a sizeable number of persons who, by failure to comply with these formalities, lost the

¹³ Jed Rubenfield, *The Freedom of Imagination: Copyright's Constitutionality*, 112 YALE L.J. 1 (2002). Professor Rubenfield draws support for his views from Professor Benkler, particularly his article, *Free as the Air to Common Use: First Amendment Constraints on Enclosure of the Public Domain*, 74 N.Y.U. L. REV. 354 (1999).

¹⁴ C. Edwin Baker, *First Amendment Limits on Copyright*, 55 VAND. L. REV. 891 (2002).

¹⁵ Neil Weinstock Netanel, *Locating Copyright Within the First Amendment*, 54 STAN. L. REV. 1 (2001).

¹⁶ Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541 (1976) [hereinafter Copyright Act of 1976].

¹⁷ 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 9.01 (2004).

¹⁸ 2 *id.* § 7.01.

¹⁹ 1 *id.* § 2.03(G).

²⁰ 2 *id.* § 7.01(A).

²¹ 2 *id.* § 7.01(A); 1 *id.* § 2.03(G).

protection of copyright law for their works.²² In a document published in the Federal Register in January 2005, Marybeth Peters, Register of Copyrights, explained Congress's reasoning as follows:

Of course, it also meant that some copyrights were unintentionally allowed to enter the public domain, for instances, where the claimant was unaware that renewal had to occur within the one year window at the end of the first term or that the copyright was up for renewal. The legislative history to the 1976 Act reflects Congress' recognition of the concern raised by some that eliminating renewal requirements would take a large number of works out of the public domain and that for a number of those older works it might be difficult or impossible to identify the copyright owner in order to obtain permissions. Congress nevertheless determined that the renewal mechanism should be discarded, in part, because of the "inadvertent and unjust loss of copyright" it in some cases caused.²³

The 1976 Act transformed U.S. copyright law to an opt-out system.²⁴ Once a work was fixed in a tangible form, it was automatically vested in the statutory protection scheme.²⁵ The renewal requirement was abandoned, in favor of a single, much longer registration term of the life of the author plus fifty years.²⁶ The requirement of formal notice was also eliminated.²⁷ Creators still had to go through a formal registration process in order to avail themselves of the right to initiate an infringement lawsuit in federal court, and posting a formal © notice was a helpful way to create a presumption that any unauthorized use was intentional (opening the door to higher damage recovery), but on balance the shift to an opt-out system made obtaining protection much easier.²⁸

These changes were not, as Register Peters notes, universally lauded.²⁹ The Copyright Critics felt that these changes created tremendous challenges for many individuals outside of the mainstream news and entertainment industries, and constituted a threat to those people's free speech rights.³⁰

²² H.R. REP. NO. 94-1476, at 134 (1976) (stating that the formalities of the renewal process were "the cause of inadvertent and unjust loss of copyright").

²³ Marybeth Peters, Notice of Inquiry re: Orphan Works, Copyright Office, Library of Congress, 70 Fed. Reg. 3739, 3740 (Jan. 26, 2005) (citing H.R. REP. NO. 94-1476, at 134), *reprinted in* INTELLECTUAL PROP. LAW SECTION, STATE BAR OF CAL., THE COPYRIGHT OFFICE COMES TO CALIFORNIA (2005).

²⁴ See Christopher Sprigman, *Reform(alizing) Copyright*, 57 STAN. L. REV. 485, 487–88, 557 (2004); Pamela Brannon, Note, *Reforming Copyright to Foster Innovation: Providing Access to Orphaned Works*, 14 J. INTEL. PROP. L. 145, 158 (2006) (stating "[t]he 1976 Copyright Act discarded most of these formalities, shifting to an 'opt-out' system that granted copyright protection upon the initial creation and fixation of a work").

²⁵ See 17 U.S.C. § 102(a) (2006); Sprigman, *supra* note 24, at 487–88.

²⁶ See Copyright Act of 1976, *supra* note 16. In 1998, the fifty-year duration was extended to seventy years. See CTEA, *supra* note 4.

²⁷ See Sprigman, *supra* note 24, at 487–88.

²⁸ Peters, *supra* note 23, at 3740. As Ms. Peters notes: "The Copyright Act of 1976 made it substantially easier for an author to obtain and maintain copyright in his or her creative works." *Id.*

²⁹ *Id.*

³⁰ See, e.g., *Eldred v. Ashcroft*, 537 U.S. 186, 244, 266 (2003) (Breyer, J., dissenting); Schwartz & Treanor, *supra* note 3, at 2337–40.

The claim of media conglomerate influence over the expansion of copyright is a key theme in Professor Baker's article.³¹ He asserts that copyright's increased scope, from the original ban on direct copying, to the much broader scope encompassed by derivative works, and the bar, subject to First Amendment and fair use exceptions, on noncommercial speech, has been driven by corporate enterprises, and is detrimental to the rights of individuals, who lack the political clout to influence Congress.³² He presents this view as follows:

An institutional argument has possible relevance here. Increases in the scope of copyright protection will predictably most advantage centralized, conglomerate media enterprises and their communications, while most likely disadvantaging nonmarket-oriented participants in the communication order.

... The country has experienced a continual historical process of a copyright extension to encompass an increasing enclosure of the public domain of expressive content. This history arguably illustrates the public's weakness and the commercial media and publishing industry's strength in the legislative arena, at least in the copyright context.³³

No empirical evidence is offered to support this view, and anecdotal evidence suggests a very different picture. In fact, it is the individual artist who has gained substantially by the increased scope of copyright protection. The derivative works right is what allowed photographer Art Rogers to stop Jeffrey Koons from appropriating his photo and reproducing it to great economic advantage.³⁴ It is what allows new screenwriters protection against the appropriation of their scripts in the Hollywood industry. It is what has allowed lesser known musicians the power to sue famous musicians for appropriation of their works.³⁵

³¹ See Baker, *supra* note 14.

³² *Id.* at 948–50.

³³ *Id.* at 948–49.

³⁴ *Rogers v. Koons*, 960 F. 2d 301 (2d Cir. 1992). Rogers created a compelling photographic image, entitled "Puppies," of a smiling husband and wife holding a litter of eight beautiful German Shepherd puppies. *Id.* at 304. The image was used and exhibited many times, and was reprinted on posters and post cards. *Id.* New York sculptor and art entrepreneur Jeffrey Koons gave artisans working for him on an upcoming show a copy of Rogers' puppies photo and told them to use it as a base for the creation of a three-dimensional sculpture. *Id.* at 305. He explained at trial his view that the work simply represented an aspect of mass culture, and as such, he was free to use it as a basis for his new work. *Id.* at 305. His team made four copies of the sculptural version, entitled "String of Puppies," and three copies were sold for a total of \$367,000. *Id.* Rogers, the decidedly less well-known of the two men, brought suit against Koons for copyright infringement. *Id.* The district court found that Rogers had a protectable copyright in the photographic image, and that Koons had clearly copied it and created a derivative work in a different media without authorization, making him liable for copyright infringement. *Id.* at 306. The court of appeals affirmed. *Id.* at 314.

³⁵ See, e.g., *Bright Tunes Music Corp. v. Harrisongs Music, Ltd.*, 420 F. Supp. 177 (S.D.N.Y. 1976). The 50's era band *The Chiffons* brought suit against George Harrison on the grounds that his song, *My Sweet Lord*, was an unauthorized derivative work based on their song, *He's So Fine*. *Id.* at 178. The court found for the plaintiffs based on the substantial similarity between the works. *Id.* at 181. Again, this is a case of a less well known artist successfully prosecuting a copyright infringement case against a much more successful and wealthy defendant.

In another assertion frequently made by the Copyright Critics, Baker asserts: “Increases in the scope of copyright protection will predictably most advantage centralized, conglomerate media enterprises and their communications, while most likely disadvantaging non-market-oriented participants in the communication order.”³⁶ And once again, Baker offers no empirical support for this conclusion.

Earlier on, he summarizes the policy argument he is making thusly: “In any event, the premise of this Essay is that copyright can legitimately protect a market in the copyrighted work only to the extent that the protection does not infringe upon First Amendment rights.”³⁷ This, in essence, rejects any balancing policy approach in favor of the absolute primacy of the First Amendment over the property rights of copyright holders.

Critic Netanel makes a similar argument, echoing Stanford Professor Larry Lessig, in asserting: “Over the past three decades, copyright industries have become increasingly concentrated as book, newspaper and magazine publishers, film and recording studios, television broadcasters, cable television operators, manufacturers of consumer electronics, software manufacturers, telecommunications companies, and Internet service providers have merged into entertainment conglomerates.”³⁸

While this may be somewhat true for the United States, there is very little evidence that it is true for Africa, Asia or Europe. Further, the depth of media activity is far greater than the product generated by the conglomerates. There are hundreds of thousands of small companies in the entertainment and media businesses throughout the United States, and many thousands of writers, artists, performers, and inventors throughout the country. The digital age has increased, not decreased, the opportunities available to creators to generate artistic expression—and Professor Netanel offers no empirical evidence to suggest that their creative expression rights have been significantly impaired by the mergers at the top end of the industries. On the contrary, it is my thesis that the added protections embodied in a longer copyright term, the removal of the notice requirement, and the right to control derivative works provides greater protection for the “little guy” creator from the allegedly avaricious practices of the media conglomerates.

In another popular argument offered by the Copyright Critics, Professor Netanel asserts, again without any significant empirical evidence to support it, that the government, through the copyright law as presently constituted and interpreted by the judiciary, is actively participating in a preferential distribution of “speech entitlements” to media conglomerates—presumably to the detriment of individuals.³⁹ The argument is presented thusly: “The allocation of speech entitlements to politically powerful industries leads to a suspicion that the government is improperly distributing rent to the detriment of the First Amendment interests of other speakers and the public at large.”⁴⁰ Absent any evidence of how this allocation of entitlements, if indeed that is what has happened, has had the result of suppressing

³⁶ Baker, *supra* note 14, at 948 (citing Yochai Benkler, *Free as the Air to Common Use: First Amendment Constraints on Enclosure of the Public Domain*, 74 N.Y.U. L. REV. 354, 357 & n.14 (1999)).

³⁷ *Id.* at 919 n.70.

³⁸ Netanel, *supra* note 15, at 27.

³⁹ *Id.* at 60–67.

⁴⁰ *Id.* at 66.

speech, or the creative impulses, of other speakers and the public, it is hard to give this argument much credence.

On the contrary, Professor Julia Mahoney has noted that even in Lawrence Lessig's dark view of the future, his third book on the impact of the digital revolution, *Free Culture: How Big Media Uses Technology*,⁴¹ the author has had to acknowledge that the explosion of the Internet "has resulted in a constant stream of news and commentary—a great deal of it generated by individuals un beholden to major media entities—with the happy result that thoughtful public discourse on substantive issues flourishes."⁴² Consistent with the view that copyrights' benefits are only available to the wealthy, Professor Lessig asserts that the legal system "doesn't work for anyone except those with the most resources . . ."⁴³ While it has always been true that wealth and power provide greater access to legal resources, it is also true that a number of resources are also available to those of little means to obtain legal representation.⁴⁴

This is also the place to insert an additional factor in the analysis of the merit of the Critics' viewpoint. This factor is the effect the changes proposed by the Critics would have on how the global marketplace would view U.S. IP law protection. It is interesting to note that the Critics rarely discuss in any detail the impact their proposals would have on that global marketplace. It was, however, a significant consideration of the Supreme Court in the *Eldred v. Ashcroft*⁴⁵ decision. The Court noted:

[A] key factor in the CTEA's passage was a 1993 European Union (EU) directive instructing EU members to establish a baseline copyright term of life plus 70 years. . . . and to deny this longer term to the works of any non-EU country whose laws did not secure the same extended term. By extending the baseline United States copyright term to life plus 70 years, Congress sought to ensure that American authors would receive the same copyright protection in Europe as their European counterparts.⁴⁶

⁴¹ LAWRENCE LESSIG, *FREE CULTURE: HOW BIG MEDIA USES TECHNOLOGY* (Penguin Press 2004) [hereinafter *FREE CULTURE*].

⁴² Mahoney, *supra* note 10, at 2308.

⁴³ *FREE CULTURE*, *supra* note 41, at 305.

⁴⁴ See David D. Kirkpatrick, *Mitchell Estate Settles 'Gone With the Wind' Suit*, N.Y. TIMES, May 10, 2002, at C6. Such organizations as the Electronic Frontier Foundation, California Lawyers for the Arts (which has related branches in New York, Illinois and other states), the Comic Book Legal Defense Fund, and local bar association legal referral services, all function to provide access to the public at large for IP cases. The recent successful battle fought by the author of *The Wind Done Gone*, by a relatively unknown author, is further evidence that access to the legal system by individual creators is perhaps not as limited as Professor Lessig asserts.

⁴⁵ 537 U.S. 186 (2003). Professor Lessig, in this case, represented Plaintiff Eric Eldred in a challenge to the constitutionality of the Copyright Term Extension Act ("CTEA"), through which Congress had extended the term of Copyright under U.S. law from the life of the author plus fifty years, to the life of the author plus seventy years. *Id.* at 192–93. The majority of the Court found that CTEA did not violate the constitutional limitation in Article I, Section 8 that copyrights endure only for "limited times," and that the CTEA did not violate Eldred's First Amendment rights. *Id.* at 194.

⁴⁶ *Id.* at 205–06 (citations omitted).

It is particularly instructive, and perhaps representative of a geocentric perspective we can no longer afford in an era of globalization of intellectual property law, that none of the Critics arguments in favor of a rollback of the scope and duration of U.S. copyright law ever address the effect such a legislative change would have on our interaction in that marketplace. The majority in *Eldred* understood that Congress, and the courts, should share that concern given the now international nature of intellectual property.

The other significant consideration is that the proposals made by the Critics to eliminate derivative works protection on the grounds that it too is unconstitutional will, just like the term issue, put us on a collision course with the rest of the world on copyright issues. Article 6bis of the Berne Convention, which establishes the principal that *droit morale* (moral rights) provides a right of artists to protect the integrity of their works.⁴⁷ A rollback of derivative rights, and a limitation of copyright infringement actions solely to those cases that involved direct copying, a position advocated by the Critics, is inconsistent with the position of the rest of the world, that artists are entitled to protect not only against direct copying of their work, but also against derivative usages that adversely affect the integrity of the work.

Copyright is not, and never has been, a uniquely American doctrine. A side effect of the digital revolution is that we now are closer to what Marshall McLuhan meant when he talked of the global village in *Understanding Media*,⁴⁸ and IP issues cannot be limited in discussion solely to their impact in the United States—it is a global market that now must be considered. We cannot protect and exploit our intellectual property in a geographic vacuum. The world market demands some degree of harmonization (witness the adroit maneuvering in the world intellectual property arena which allowed the United States to sign the Berne convention, without ever formally adopting the full range of moral rights granted under Article 6bis). The limitations proposed to the scope of copyright protection by the Critics, without considering the impact those changes would make in a world we no longer dominate in intellectual property is both naïve, and in this era of doubt about the United States' willingness to be true partners with the rest of the world's democracies, may even be a bit dangerous.

In sum, the lack of empirical evidence that the benefits of the expansion of copyright protection over the history of U.S. copyright law have inured only to the wealthy and the powerful, contrasted with the determination by the Copyright Office, Congress and the courts, that the expanded elements serve to protect all copyright owners and to further encourage the creative process, is indicative of the lack of merit of this first argument.

⁴⁷ Paris Act relating to the Berne Convention for the Protection of Literary and Artistic Works art. 6bis, July 24, 1971, S. Treaty Doc. No. 99-27, 1161 U.N.T.S. 3 [hereinafter Berne Convention].

⁴⁸ MARSHALL MCLUHAN, *UNDERSTANDING MEDIA: THE EXTENSIONS OF MAN* (MIT Press 1964).

B. Argument Two: Copyright's Principal Purpose Is To Provide Economic Benefits to Owners—The Property Right Created by Copyright Law Should Not Trump the First Amendment Rights of Users.

This argument begins with the assumption that the principal purpose and incentive offered to creators under copyright law is the economic benefits that flow from copyright ownership. To the extent these benefits are akin to a property right conferred on the owners, the next element of the argument asserts that such a property right lacks a sufficient constitutional basis to be deemed superior, and/or immune to First Amendment concerns.

Professor Netanel presents this aspect of the Critic's argument by positing that even if the argument made that copyright is a form of property interest is true, this status should not be a basis for immunity from First Amendment scrutiny.⁴⁹ In support of this view, he notes that trademark, right of publicity, and trade secret issues have been subjected to First Amendment scrutiny.⁵⁰ The problem with these supporting examples is that, unlike copyright, none of them draw their basis from a constitutional grant, nor do any of these examples have the same qualities of copyright protected works—they cannot be endlessly duplicated for profit, the protections they offer are not limited by any time period, and the value they contain does not derive from their creative expression. In short, as examples, these are inapposite to the argument advanced.

Professor Baker also asserts that copyright's purpose is principally economic in nature, and that this is the primary incentive built into the copyright law, in the form of the limited monopoly.⁵¹ He demonstrates his acceptance of this view when he writes: "While copyright protects the authors' financial interests in their works,"⁵² and again when he asserts that "the ultimate concern of copyright is also the content-based desire to promote the creation and distribution of presumably quality or 'desired' content rather than merely amateur communications that people would generate without an expectation of the economic rewards of ownership."⁵³

The weakness in this argument is that as copyright law has evolved over the past one hundred plus years, its purpose and the benefits it confers have changed. There can be no question that the first copyright laws in the European tradition, such as Britain's Statute of Anne,⁵⁴ had as their principal concern the economic well-being of book publishers. In fact, these early copyright laws gave little protection to authors, and in an interesting irony, were then more interested in the economic well-being of the media conglomerate of their day—prominent book publishers. However, this has changed over the history of copyright, and the law now also serves, in the United States, as the creative persons' equivalent of *droit morale*. Albeit limited by the application of the First Amendment and by the fair use doctrine, copyright now serves far more than an economic purpose—it is also the means by which artists can maintain some degree of artistic integrity in their works. This is the purpose Congress and the courts have been protecting since 1870, and I submit that

⁴⁹ Netanel, *supra* note 15, at 39.

⁵⁰ *Id.*

⁵¹ Baker, *supra* note 14, at 925, 926.

⁵² *Id.* at 925.

⁵³ *Id.* at 926.

⁵⁴ Statute of Anne, 1710, 8 Ann., c. 19 (Eng.).

encouraging us to sacrifice that integrity runs directly counter to the imperative of Article I, Section 8's charge that we seek to enhance and protect the creative process.

On the subject of unpublished materials of newsworthy value, Professor Baker appears to not understand the marketplace for IP product. He suggests that the press has an absolute right, superior to the author's control of when a work is to be released, to publish it in satisfaction of the public's need to know: "However, any purported right of an author to determine when, and especially, whether to publish interferes directly with the press' role of providing information. Such a right should be rejected on First Amendment grounds."⁵⁵ Taken to its logical conclusion, this suggests that authors' first drafts, or incomplete paintings, or other artistic creations, are fair game for early publication in satisfaction of the role of the press. It does not matter if the work is unfinished, or the artist feels it is a work not yet ready for publication, or if the artist is contractually bound to secrecy—if the press can get a hold of it, there should be no restraint on its publication. This is actually worse than the economic argument, *supra*, since it disregards contractual responsibilities in favor of the "freedom" of the press.

To illustrate that the scope of U.S. copyright law provides benefits beyond purely economic ones, examples can easily be found in literary and theatrical circles. In a recent issue of *The New Yorker* magazine, writer D.T. Max profiled Stephen Joyce, the sole surviving relative (grandson) of the writer James Joyce.⁵⁶ Stephen Joyce has made a number of Joyce scholars angry over the years because he has taken a very strong stance in defending what he perceives to be his grandfather's legacy, and in the process has denied access or license to many scholars and writers seeking to write about James Joyce.⁵⁷ Efforts to stage public readings from *Ulysses*, or to publish newly edited versions of the work have been met by lawsuit filings initiated by Stephen Joyce.⁵⁸

Mr. Max notes that Stephen Joyce is not the first or the only executor of a literary estate to resist the agenda of scholars.⁵⁹ Examples include T.S. Eliot's widow, who has opposed all biographies of her husband, and has withheld publication of the balance of his letters.⁶⁰ Ted Hughes destroyed Sylvia Plath's journal of their last months together, and the Samuel Beckett estate sues theatre companies that mount unorthodox versions of his plays.⁶¹ The Gershwin estate is notorious for the extent it exerts control over the use of Gershwin's works.⁶²

Yet in all of these examples, it has never been suggested that the principal purpose these heirs are seeking to protect is an economic one. In fact, a broader discussion and dissemination of the works of these artists might indeed enhance the bank account of their heirs. However, something more is at stake here. The goals of these heirs are to preserve the legacy of the artist, the quality of their work, and the

⁵⁵ Baker, *supra* note 14, at 943.

⁵⁶ D.T. Max, *The Injustice Collector*, THE NEW YORKER, June 19, 2006, at 34–43.

⁵⁷ *Id.* at 35.

⁵⁸ *Id.*

⁵⁹ *Id.* at 36–37.

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² See Olufunmilayo B. Arewa, *Copyright on Catfish Row: Musical Borrowing, Porgy & Bess and Unfair Use* (bepress Legal Series, Working Paper 1116, 2006), available at <http://law.bepress.com/expresso/eps/1116> (providing an excellent discussion of the Gershwin Estate's conduct).

integrity inherent in its original form. The much discussed action of Ted Turner in colorizing a collection of classic films, and the efforts of other directors to resist colorizing of their classic films, is yet another example of this point.⁶³

While there is certainly room for criticism of the manner in which some artists, or their heirs, attempt to protect their legacy, what is without argument is the fact that all of these artists and heirs recognize that their copyrights have value beyond pure economics. The right to say no to a prospective use which violates the integrity of the artist—long present in the European Union and other signatory states to the Berne Convention, is provided to creators and speakers in this country via the Copyright Act. As such, it involves more than merely an economic basis, and as such is much more than a mere property right. For that reason, the argument that as a mere property right it cannot be entitled to immunity from First Amendment scrutiny fails.

C. Argument Three: Changes in the Scope and Term of Copyright Law Since the 1970 Nimmer Article, as well as the Nature of Digital Technology and the Greater Ease Achieved in Copying Content, Render Nimmer's Immunity Doctrine Out of Date and in Need of Change.

Professor Netanel begins his article by acknowledging that the seminal written work on First Amendment/copyright issues is Melville Nimmer's 1970 article, *Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?*⁶⁴ He asserts that while Nimmer's viewpoint, which has been widely interpreted to support the notion that copyright is immune from First Amendment scrutiny, "might have been plausible in 1970,"⁶⁵ evolving First Amendment scholarship, the expanded scope of copyright following the 1976 amendments and the Digital Millennium Copyright Act ("DMCA"), and the digital explosion of the last twenty years, makes the view that copyright is immune from First Amendment scrutiny a "striking anomaly."⁶⁶

Professor Netanel acknowledges also that Nimmer pointed out that First Amendment considerations were balanced by copyright's limiting factors—the idea/expression dichotomy and its limited term (and the doctrine of fair use).⁶⁷ While acknowledging that copyright does, to a degree, limit speech, Nimmer felt these limitations were "justified by the greater public good in the copyright encouragement of creative works."⁶⁸

Professor Netanel argues, however, that times have changed.⁶⁹ Copyright's scope has been expanded by the 1976 Act and the DMCA, and its term has been expanded by the Copyright Term Extension Act ("CTEA") to life plus seventy,

⁶³ See, e.g., Jack Mathews, *Film Directors See Red Over Ted Turner's Movie Tinting*, L.A. TIMES, Sept. 12, 1986, § 6, at 1.

⁶⁴ Netanel, *supra* note 15, at 4 (discussing Melville B. Nimmer, *Does Copyright Abridge the First Amendment Guarantees of Free Speech and Press?*, 17 UCLA L. REV. 1180, 1186–1204 (1970) [hereinafter Nimmer 1970 article]).

⁶⁵ *Id.* at 4.

⁶⁶ *Id.*

⁶⁷ *Id.* at 8 (citing Nimmer 1970 article, *supra* note 64, at 1193–1200).

⁶⁸ *Id.* (quoting Nimmer 1970 article, *supra* note 64, at 1192).

⁶⁹ *Id.* at 12.

whereas in 1970 it was still the opt-in system of twenty-eight years, with one renewal right for another twenty-eight years for a total of fifty-six years of protection.⁷⁰ Considering these changes, Professor Netanel asserts: “Today, copyright law’s primary internal safety valves—the idea/expression dichotomy, fair use privilege, and limited term—provide far weaker constraints on copyright holder prerogatives that they did in 1970.”⁷¹ Tellingly, what is missing here, as is generally the case in all of the Critics’ arguments, is any significant empirical evidence to support this gloomy assessment.

There is also an interesting temporal note here. Professor Baker is also critical of these earlier writings, noting that earlier commentators, such as Nimmer and Paul Goldstein, advocated more of an accommodation approach, seeking a balance between the First Amendment and copyright.⁷² He summarized their approach, and his differing view, thusly:

The classic commentators on the First Amendment and copyright found a presumptive conflict between the two constitutional provisions and then proceeded to recommend resolution by a policy informed balancing. At least initially I want to resist that balancing approach. . . .

. . . An unwavering commitment to the First Amendment requires that the first question be: What scope does a strict interpretation of the First Amendment leave for copyright grants? Only if the answer is that his interpretation really leaves too little scope to be acceptable should a commentator proceed to advocate accommodations or balancing.⁷³

It primarily appears to be within the last fifteen to twenty years that the accommodation and balancing view of the classic copyright scholars has come under attack. Given that these attacks paralleled the growth of the Internet, this fact suggests that much of the criticism of copyright is fueled by the ease of copying and distribution triggered by digital technology—and the desire to exploit that ease by loosening the restrictions of copyright law. However, as Senator Orrin Hatch pointed out in the Napster debates on Congress, in an atmosphere of claims that all art should be freely distributed online: How do we guarantee compensation for artists?⁷⁴

Mahoney points out that Professor Lessig makes a similar argument in *Free Culture*.⁷⁵ However, she notes that even he has to admit that “[t]he Internet provided a public forum where people came together to share their reactions to

⁷⁰ See Copyright Act of 1976, *supra* note 16; CTEA, *supra* note 4; 3 NIMMER, *supra* note 17, § 9.01; 2 NIMMER, *supra* note 18, § 7.01.

⁷¹ Netanel, *supra* note 15, at 12.

⁷² Baker, *supra* note 14, at 894 n.8.

⁷³ *Id.* at 894–95 (citations omitted).

⁷⁴ See Thomas C. Greene, *Senator Hatch’s Napster Epiphany*, REG., Oct. 23, 2000, http://www.theregister.co.uk/2000/10/23/senator_hatchs_napster_epiphany (discussing Sen. Hatch’s difficulty reconciling his admiration for Napster with the rights of copyright owners under the DMCA).

⁷⁵ Mahoney, *supra* note 10, at 2308.

events such as the September 11, 2001 tragedy, and the Internet continues to serve as a virtual town square as well as a source of information for millions.⁷⁶

Mahoney also deflates a claim by Professor Lessig that instances like the *Napster*⁷⁷ and *Grokster*⁷⁸ decisions, which restricted the freedom of peer-to-peer (“p2p”) file sharing based on copyright infringement, are a further sign of damage to cultural and expressive freedom.⁷⁹ She cogently points out that:

It is important to bear in mind that the vast majority of those who avail themselves of p2p technology are consumers in search of music and other forms of entertainment, not creators in search of inspiration. For the government to regulate the means and manner by which consumers obtain goods is unexceptional, particularly when a key goal of the regulation is to protect the value of property.⁸⁰

Further, Mahoney notes the argument that there has been a significant expansion in derivative rights is unsupported by empirical data.⁸¹ The fact is that derivative rights have been a part of copyright doctrine for over 100 years, with no significant evidence of their serving as an impediment to the development of creative expression. On the contrary, as I have argued elsewhere, it is the existence of the bar against abuse of a creator's derivative rights that keeps the media conglomerates from brutally exploiting the works of individual creators.

Underlying this argument is the claim that the expansion of copyright has caused, and will cause in the future, a significant loss of creative and imaginative freedom for the people of the United States. What is missing in any of the arguments presented in support of this claim is any empirical evidence that this dire forecast has, to any significant degree, come true or is likely to come true. Aside from the evidence that Orphan Copyright is an issue that, in the digital age, has greater significance and needs to be addressed,⁸² the record is devoid of evidence in support of this argument.

D. Argument Four: Since Copyright Deals with Content, the Law Should Be Subject to a Strict Scrutiny Analysis as to Its Impact on First Amendment Rights, and Under Such Scrutiny, It Clearly Violates the First Amendment Rights of Users.

The strength, and weakness, of this argument lies in the definition of the term “content” in the Free Speech context, in the context of judicial interpretations of the First Amendment, and in the copyright context. I submit that content in the free speech context refers both to the ideas a speaker presents, and the language or other

⁷⁶ *Id.* at 2321 (citing FREE CULTURE, *supra* note 41, at 40–41).

⁷⁷ *A&M Records, Inc. v. Napster, Inc.*, 239 F. 3d 1004 (9th Cir. 2001).

⁷⁸ *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd.*, 545 U.S. 913 (2005).

⁷⁹ Mahoney, *supra* note 10, at 2324.

⁸⁰ *Id.*

⁸¹ *Id.* at 2331.

⁸² See *infra* Section Two for a discussion and critique of the Copyright Office's Report on Orphan Works (2006), and of the Orphan Works Act of 2006 for a summary of the first legislative response to the orphan works problem.

expressive means used to present that idea. For courts applying the term “content” in a strict scrutiny context seeking to determine if a statute violates the First Amendment by banning certain works, the term “content” is focused on the ideas expressed, and not on the means of expression used.⁸³ Finally, copyright, in particular infringement cases, focuses purely on the means of expression used, since the statute expressly precludes protection for ideas.⁸⁴

The Critics seek to use the free speech definition as a basis for challenging copyright—arguing under this definition that since copyright clearly “deals” with content, it is a content-based law which requires strict scrutiny and a bias in favor of finding that it violates First Amendment protections. The problem with this approach is that content, when subject to any copyright law analysis, only pertains to expression, and therefore the claim that for constitutional purposes it means more than that is erroneous.

Professor Baker supports the Critics’ view by suggesting that under a strict scrutiny analysis, warranted because copyright deals with content, the market incentive concerns underlying copyright do not rise to the level of a compelling government concern, and proposes that perhaps those concerns can be addressed by less restrictive means.⁸⁵ He writes: “If content must be examined to determine if a law is violated then the law is content based.”⁸⁶ Does this mean that reporting a theft of art from your home, in which the police must have a description of the art, means that art theft is a content-based law? Similarly, in a case of the theft of a rare book, a description of the book, the art on the cover, and its subject matter is required—does this make the theft law subject to a content-based strict scrutiny? Additional examples from art and music illustrate the problems with this approach. A copy of a musical piece focuses on the sequence of notes, not the underlying melody or musical concept embodied in the piece. A derivative copy of a piece of artwork repeats elements of the composition, not the content, consisting of the concept of the piece.

The question that should be asked is whether the restriction on content found in copyright law really abridges someone’s freedom of expression and whether there is a fair policy in saying that anyone is free, for example, to paint a portrait. However, they are not free to take someone else’s property, their painting of a portrait, and use that for their own benefit. Interestingly enough, what this argument does is turn one of copyright’s attributes, the ability to reuse the work via copies without diminishing it, against the creator. There is no question that if I wanted to paint a portrait, and saw a similar portrait you did on your wall, that I cannot, in my expression of free speech, come into your house, take your painting, cut out the face in it, and put it in my painting. But because art in the digital world can more easily be reproduced through mechanical means, suddenly it is a violation of your freedom of expression to take a copy of the work, which is sold with the express understanding that it may not be used by you, and use it for your own purposes, be they commercial or noncommercial.

⁸³ See *R.A.V. v. St. Paul*, 505 U.S. 377 (1992).

⁸⁴ 17 U.S.C. § 101 (2006).

⁸⁵ Baker, *supra* note 14, at 922.

⁸⁶ *Id.*

Interestingly, Professor Netanel disagrees with some of the other Critics on this point. He presents a cogent argument against those Critics who claim that copyright is content-based regulation. He notes:

Like the restrictions at issue in the above cases, traditional copyright law restricts the manner in which one can express an idea. Because of copyright, I cannot use certain expressive formulations to convey my idea. But the government's interest in enforcing copyright law is not to suppress a particular message, subject matter, or communicative impact. Thus, although the question of whether a work infringes copyright turns on the work's "content," copyright law is not "content-based" for First Amendment purposes.⁸⁷

Having made this statement, Professor Netanel then asserts that while copyright does escape strict scrutiny because it is not content-based, it should instead of being immune, be subject to intermediate scrutiny, under the principles set forth in *Turner Broadcasting System, Inc. v. FCC*.⁸⁸ The three-part test supported by the Court in that case held that a regulation would withstand a constitutional challenge if it is: 1) justified without reference to the content of the regulated speech, 2) narrowly tailored to serve a significant governmental interest, and 3) leaves open ample alternative channels for communication of the information.⁸⁹ Professor Netanel, who will go on to apply this *Turner* test to copyright law in his article, does admit that in a subsequent litigation over the same "must carry" issues, known as *Turner II*,⁹⁰ the Court backed away from this application, and took a stance more deferential to Congress's position of granting copyright immunity from constitutional scrutiny.⁹¹ In the *Eldred* decision, the majority opinion also expressly considered, and rejected, reliance on *Turner I*, despite Professor Lessig's argument that it applied in that case.⁹² The Court did not adopt the absolute immunity standard either, indicating instead that Mr. Eldred's case did not require such scrutiny:

Finally, the case petitioners principally rely upon for their *First Amendment* argument, *Turner Broadcasting System, Inc. v. FCC*, bears little on copyright. The statute at issue in *Turner* required cable operators to carry and transmit broadcast stations through their proprietary cable systems. Those "must-carry" provisions, we explained, implicated "the heart of the *First Amendment*," namely, "the principle that each person should decide for himself or herself the ideas and beliefs deserving of expression, consideration and adherence."⁹³

⁸⁷ Netanel, *supra* note 15, at 54.

⁸⁸ 512 U.S. 622 (1994) (applying an intermediate scrutiny standard to a constitutional challenge of the FCC's "must carry" rules); Netanel, *supra* note 15, at 54–55.

⁸⁹ Netanel, *supra* note 15, at 55 (citing *Ward v. Rock Against Racism*, 491 U.S. 781 (1989)).

⁹⁰ *Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 195–96 (1997).

⁹¹ Netanel, *supra* note 15, at 58–59.

⁹² *Eldred v. Ashcroft*, 537 U.S. 186, 220 (2003).

⁹³ *Id.* (citations omitted).

The CTEA, in contrast, does not oblige anyone to reproduce another's speech against the carrier's will.⁹⁴ Instead, it protects the author's original expression from unrestricted exploitation. Protection of that order does not raise the free speech concerns present when the government compels or burdens the communication of particular facts or ideas. The First Amendment securely protects the freedom to make—or decline to make—one's own speech, while it bears less heavily when speakers assert the right to make other people's speeches. To the extent such assertions raise First Amendment concerns, copyright's built-in free speech safeguards are generally adequate to address them. We recognize that the D.C. Circuit spoke too broadly when it declared copyrights “categorically immune from challenges under the First Amendment.”⁹⁵ But when, as in this case, Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary.⁹⁶

Despite the uncertainty of its application, Professor Netanel hypothesizes as to how the *Turner* intermediate scrutiny standard should be applied to several aspects of contemporary copyright law.⁹⁷ He begins this analysis with a look at the CTEA, and argues that there was little need to extend copyright protection, noting that copyrights are likely to lose their value before the period expires: “Given the already lengthy copyright term in force prior to the amendment and the considerable uncertainty regarding whether a copyrighted work created today will yield any revenue in years hence, the present value of the CTEA's twenty-year extension for new authors is negligible.”⁹⁸

The authorities cited in support of this argument appear to be out of date. More importantly, the premise that copyrighted works created today will lack value in years hence is utterly without support. Can we say with any degree of certainty that paintings by Hockney or other contemporary masters will lack value many years hence? Or that operas written today will not be performed in 100 years? Or that classic films (like the *Lord of the Rings Trilogy*) will not still be shown in 100 years, like Chaplin and other silent era classics are still being performed? Or that the stories of Ray Bradbury, many of whom were published more than fifty-six years ago, will not be read for more than seventy years after his death?

In fact, Ray Bradbury provides a good example. At eighty-six now, under the 1909 act, all of his seminal works written before the age of thirty would now be in the public domain—and as to those works, his heirs would receive nothing.⁹⁹ Why is it that the Copyright Critics fail to consider that the incentive provided to creators to create works includes the fact that under the present copyright term those works can be a legacy for their heirs and families? We do not require the owners of property to escheat it to the state after fifty-six years—nor do we require any other business owner, or holder of a trade secret or trademark, to give up their valuable asset after fifty-six years—so what justifies carving out this exception for creators? Professors Baker and Netanel do the arts a disservice by implying that they are of such a transitory and ephemeral nature.

⁹⁴ 17 U.S.C. § 302 (2006).

⁹⁵ *Eldred*, 537 U.S. at 221.

⁹⁶ *Id.* (citations omitted).

⁹⁷ Netanel, *supra* note 15, at 55–58.

⁹⁸ *Id.* at 70.

⁹⁹ See 3 NIMMER, *supra* note 17, § 9.01.

The decision in *Eldred*, making clear that in most, if not all instances, copyright is not content-based in the way that requires strict scrutiny, provides a solid analytical basis for the rejection of this argument.

E. Argument Five: Some Form of Compulsory Licensing for All Copyrighted Works Should Be Sufficient To Address the Concerns of Owners, Which After All Are Principally Economic in Nature.

An oft-suggested remedy deployed by the Critics for the appropriation of copyright protected works via creation of unauthorized derivative works is the idea that by creating a compulsory licensing scheme, creators will receive adequate compensation for the use, and prospective defendants will be free to use those works without fear of costly and time-consuming litigation. While this idea has some surface appeal, it ultimately is a poor substitute for existing copyright protection, because it fails to account for the artist's desire to preserve the integrity of their work, and their own reputation, by exercising their right to decline uses they deem inappropriate.

Professor Baker presents this argument in the "Remedies" section of his article, wherein he suggests that rather than infringement damages, copyright owners should only be able to recover a "constitutionally mandated, judicially determined license fee."¹⁰⁰ So he would argue, presumably, that the conservative Christian groups who recently made headlines when they altered films and television shows to cut out material they felt was objectionable, and then sold their edited versions to their constituents,¹⁰¹ would be an acceptable adaptation of the original work, so long as they paid for the privilege. Professor Baker suggests that any copyright owner who objects to a use of their work despite the offer of a reasonable fee must be motivated by reasons including "privacy, maintaining or gaining political power, and preserving possibly undeserved reputation."¹⁰² He does not consider that sometimes owners of a deserved reputation may object to a misuse of their work—for example: Woody Allen would presumably object to the colorization of *Manhattan*, regardless of the amount of the fee offered to accomplish that transformation.

A note of caution about compulsory licensing systems is also called for in response to the Critics' suggestion that this is a worthy panacea. Compulsory licensing systems have been roundly criticized in the music industry as fostering racially biased treatment of artists—notably black artists—with the most famous example being the wholesale appropriation of soul and rhythm and blues from black artists in the 1950's, such as Chuck Berry and Little Richard, by white artists such as Pat Boone and the Beatles.¹⁰³ The inexpensive compulsory license fees (currently a little over 6.5 cents per song) allow popular artists to "cover," i.e., do their own version, of previously published songs with very little compensation being paid to the

¹⁰⁰ Baker, *supra* note 14, at 947.

¹⁰¹ *Clean Flicks, LLC v. Soderbergh*, 433 F. Supp. 2d 1236, 1238 (D. Col. 2006) (ruling that the company CleanFlicks was infringing movie studios' copyrights by editing and reselling the movies after "deleting 'sex, nudity, profanity and gory violence,' using its own guidelines") (citation omitted).

¹⁰² Baker, *supra* note 14, at 947.

¹⁰³ See K.J. Greene, *Copyright, Culture, and Black Music: A Legacy of Unequal Protection*, 20 HASTINGS COMM. & ENT. L.J. 339 (1999) (discussing the music business and black artists).

songwriter. Given these problems, and the *droit morale* issues presented by a compulsory license system based purely on a guaranteed fee that divests the owner of any control over their artistic integrity, this proposed solution is sorely deficient, and this argument deserves to be rejected.

F. Argument Six: Free Speech Rights Include the Right To Use the Words or Other Expression of Another in Expressing Your Own Point of View.

This argument goes to the heart of the conflict between free speech rights and the rights of copyright owners. As the Supreme Court noted in the *Eldred* decision, free speech rights in original speech are strongly protected under the First Amendment, but when the speech involved belongs to another person, the protection afforded is greatly diminished, particularly if that third party speech is subject to copyright protection.¹⁰⁴

The Copyright Critics, however, staunchly defend the right to use others' speech. Professor Baker presents this view as follows:

Her choice to express herself by repeating or distributing someone else's initially authored words (or to retain access to specific intellectual products) does not lessen the fact that her freedom is at stake. . . .

. . . .

. . . Her peculiar choice of words, even her choice to speak through the words of another, can be the exercise of her expressive freedom.¹⁰⁵

What freedom? The freedom to use another's property for her own benefit? How do we justify this use as valid—when another form of use—say borrowing clothes from your neighbor's closet to make a personal statement—is deemed theft?

Professor Netanel then makes the interesting and controversial statement that persons seeking to present a viewpoint should be allowed, without hinder, to use the words of another to present their views: "But even beyond short quotations, effective speech sometimes requires the verbatim copying of substantial portions of existing literary expression."¹⁰⁶ He offers six examples in support of this statement—none of which reflect that the author's ability to communicate their central idea would have been impaired by copyright restrictions—and in many, if not most of the examples, the fair use doctrine might, if raised, have provided shelter for the users.¹⁰⁷

After citing these examples, Professor Netanel qualifies their benefit to his argument by acknowledging: "One cannot say that such copying was absolutely necessary for the speaker to make his or her point."¹⁰⁸ Instead, he argues that the speaker's point "would have been far less effective, far less believable, and of far less

¹⁰⁴ *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003).

¹⁰⁵ Baker, *supra* note 14, at 936–38.

¹⁰⁶ Netanel, *supra* note 15, at 15.

¹⁰⁷ *Id.*

¹⁰⁸ *Id.* at 16.

value to the intended audience, without reproducing (or translating) verbatim substantial portions of the author's work."¹⁰⁹ He offers no empirical evidence in support of this claim, which to some degree essentially argues that those who lack the ability to convey a view or position in their own words should be entitled, as a matter of law, to take the words of others, without attribution or compensation, and present them as their own—and that such a use is consistent with the Freedom of Expression principles embodied in the First Amendment.

Mahoney summarizes Professor Lessig's contribution to this argument thusly: "To Lessig, the key insight is that the freedom to make use of previous work without first obtaining permission plays an essential role in creativity and innovation."¹¹⁰ She counters that argument with this response:

The fact that a shift in a particular property regime makes some projects harder to accomplish, however, is hardly proof of its deficiency. . . . [T]he fact that some projects are never undertaken or completed is not convincing evidence of actual or imminent cultural impoverishment, nor is it evidence that American culture is changing in some fundamental way.

. . . This argument would carry greater weight if he could point to evidence of a decline—or even a slowed rate of growth—in such creativity or innovation. . . . His quest, however, to convince his readers that, absent radical reform, disaster awaits, is undermined by the stark reality that the United States is awash in intellectual outputs.¹¹¹

So where we come out at the end of this analysis is a policy choice. This argument really isn't a legal one—it is a cultural one. Do we continue to grant creators the range of protection they have traditionally enjoyed for years¹¹² under copyright law, or do we bow to the pressure of the growing software industry, and declare copyright protection an unwieldy burden of the past, which is hampering the cultural growth of the nation? Again, the Supreme Court's analysis in *Eldred* got it right—we can continue to vigorously protect original speech, but carve out a much more limited right of use, through doctrines like fair use, for appropriated speech. For these reasons, this sixth argument also warrants rejection.

G. Argument Seven: The Idea/Expression Doctrine and the Fair Use Doctrine Have Become Too Rife with Uncertainty To Afford Meaningful Protection to Users.

In general, the Copyright Critics are all very unhappy with the legislative and judicial view that the built-in limitations of copyright, in the form of the idea/expression dichotomy, and the fair use doctrine, offer sufficient protection

¹⁰⁹ *Id.*

¹¹⁰ Mahoney, *supra* note 10, at 2317.

¹¹¹ *Id.* at 2318–19.

¹¹² With respect to derivative rights, these have remained unchanged since 1870; and with respect to the term of copyright, the move to an opt-out system of life plus fifty years has been in existence since 1976, and life plus seventy, since 1998. See CTEA, *supra* note 4.

against violations of First Amendment and free speech rights. Professor Baker offers a different approach as a better way to accommodate both copyright and free speech. His formula is as follows:

From these examples, a first cut at free speech limits on copyright might be the following: (1) a person has a right to engage in copying for her own use and for individualized noncommercial distribution; (2) she also has a right to distribute broadly at least if the copied speech is embodied in a communicative activity that is different that or goes beyond the use of the original author or publisher—a “transformative” use; (3) but this right to noncommercial use does not include a right to copy for the purpose of injuring a particular copyright holder or undermining the intellectual property system; and (4) a much closer case is where copying and distribution, even if itself an aspect of the copier’s communicative goals, has the likely consequence of largely destroying, not merely reducing, the market for authorized copies of the copyrighted material. In this fourth case, limitations on copying may be appropriate, but the First Amendment issue is not entirely clear.¹¹³

Professor Baker’s suggestion that noncommercial uses should be allowed under the First Amendment fails to consider the point raised in fair use analysis that even a noncommercial use can damage the market for the copyright holders work. One who floods the market with copies of a work—say by buying a copy of Harry Potter, and making and giving away copies, adversely affects the market even if their use is noncommercial. Professor Baker’s assertion that noncommercial uses do not significantly affect owner’s economic uses is belied by the Napster experience.¹¹⁴ Napster did not charge anyone for the downloads—but the music business clearly was hurt.¹¹⁵ Professor Baker’s characterization, in 2002 when he wrote his article, that the reality of the ease of digital copying would not lead to dramatic undermining of value is directly contradicted by Napster, and the terrible losses the motion picture business continues to suffer as a result of worldwide piracy of motion pictures, a problem that has become more acute now that movies can be stored in digital formats.¹¹⁶

Professor Baker makes another suggestion that would also have a negative impact on the value of literary works: “Of course, allowing free digital libraries to post copies of materials without permission from copyright holders may be wise social

¹¹³ Baker, *supra* note 14, at 918–19.

¹¹⁴ See *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d 1004, 1024 (9th Cir. 2001) (agreeing with the trial court, which rejected Napster’s contention that an MP3 file exchange is a noncommercial use protected from infringement actions by 17 U.S.C. § 1008 (2006)).

¹¹⁵ *Id.* at 1018.

¹¹⁶ Baker, *supra* note 14, at 913. Professor Baker expressed this view as follows:

For instance in music, new methods of distribution may merely reconfigure which musical talents are most advantaged—possibly creating a broader and more egalitarian distribution of rewards for musicians as the changed environment results in payment coming through means other than sale of copies, especially through payment for live performances.

Id. The harsh reality of the costs of live performances and road tours for artists renders this prospect unlikely.

policy.”¹¹⁷ This is outrageous. At present, public libraries must pay for books, and only copies for the blind are allowed without compensation. Why should digital libraries be able to do what hard copy libraries cannot do? This suggestion also fails to acknowledge that public libraries are, in the publishing industry, one of the main purchasers of hard copy books—eliminating that market will not be helpful in the development and publishing of new writers.

Professor Netanel also is critical of what he characterizes as an expansion of the scope of derivative works. In support of his view, however, he cites only two peripherally related cases for this proposition that under current derivative works analysis:

“[S]peech that copies from an existing work at a quite high level of abstraction, containing no identity or even close similarity of work or graphic, but only a resemblance of style and overall aesthetic appeal, may well be deemed to constitute the appropriation of existing expression and thus run afoul of the copyright holder’s rights.”¹¹⁸

From here, he argues that the idea/expression dichotomy has become a muddled standard that provides little protection for users of works currently under copyright protection. Noting that Courts may have differing views of what is idea and what is expression, he asks: “[H]ow are speakers to know whether their speech is infringing reproduction or permissible reformulation of existing expression?”¹¹⁹ This brings to mind the confusion which has existed for over thirty years regarding how to define “obscenity” under the *Miller*¹²⁰ standard—while the vagueness of that standard has yielded a series of difficult decisions, the lack of certainty it presented and still presents for the publishers of adult-oriented material has merely been an issue for them to adjust to and deal with—and has not led to any significant negative impact on that industry—leading to the suspicion that speakers will also be able to figure out, in most cases, the difference between appropriating an idea, versus an expression.

On the subject of fair use, Professor Netanel decries the fact that the burden of proving that the infringed work does not adversely affect the market for the work falls on the shoulders of the infringer.¹²¹ Again he fails to offer any empirical evidence to suggest that this placement of the burden, on the infringer to defend his/her actions, has in any significant way, impaired the creative process of artists or the public at large.

In further comments regarding the fair use doctrine, Professor Netanel argues for revisions to the manner in which the doctrine is applied. He asserts that so long as the defendant’s work is a “highly effective commentary on the original,” it should be permitted even if it competes in the market for derivative works based on the

¹¹⁷ *Id.* at 918.

¹¹⁸ Netanel, *supra* note 15, at 18.

¹¹⁹ *Id.* at 19.

¹²⁰ *Miller v. California*, 413 U.S. 15 (1973). The standard used in the *Miller* case to determine whether particular material is obscene was a) whether the average person would find that the work appeals to the prurient interest; b) whether the work depicts sexual conduct in an offensive way; c) whether the work lacks serious literary, artistic, political, or scientific value. *Id.* at 24.

¹²¹ Netanel, *supra* note 15, at 21.

original work.¹²² He does not offer any examples of such a situation, and frankly it is hard to imagine one where the criticism or commentary is competitive in the market—parody is the likely candidate here, however many parodies have successfully been allowed publication, relying both on the fair use doctrine, and the more recently developed jurisprudence allowing parodies to be published if they are transformative in nature.¹²³

Professor Netanel goes on to suggest that once a defendant shows a colorable claim of fair use, the burden should shift to the plaintiff to prove market harm, rather than remaining with the defendant to show no harm.¹²⁴ He argues that this change is needed because “[t]oday’s market-centered fair use doctrine places the defendant in the onerous position of proving a negative: that the allegedly infringing use and other possible uses like it will not even harm a market, including a market for derivative works, that the copyright holder has no concrete plans to exploit.”¹²⁵

He offers no examples of this alleged problem, and certainly some computer era cases suggest that courts already require this kind of a showing for a plaintiff to prevail.¹²⁶ This proposal ignores a central fact of most, if not all, fair use defense cases. The defense is raised because the plaintiff has a fairly strong case showing infringement—so the defendant utilizes fair use (along with an attack on the validity of the copyright claim) in an effort to avoid liability. Is it not a valid doctrine to require a defendant in that position to carry the burden of proving the defense they raise?

Finally, Professor Netanel proposes that where a defendant presents a “colorable but unsuccessful claim of fair use,” courts should limit damages awarded against such defendants to the amount of a reasonable license fee instead of enjoining use.¹²⁷ This “solution” carries with it the same danger of similar solutions offered in the patent litigation realm. If the sole liability exposure is limited to a reasonable license fee, this will greatly reduce infringement litigation, and provide incentive for infringers to carry on with their infringing behavior, especially in cases where a requested license has been denied—the defendant who was willing to pay the license but was denied will simply go ahead and infringe, since their liability exposure will be limited to what they were willing to pay anyway. A better approach is to use the reasonable value of the license as part, but not the entirety, of the basis for the calculation of applicable damages.

When considering the merit of this argument as to fair use, it is also worthwhile to consider that with a creative approach, the difficulties presented by a denial of access to a particular work for commercial purposes does not necessarily mean that the creative desires of the author must be frustrated. By way of example, I offer the following two anecdotes from my own practice:

1. In my capacity as counsel for the San Francisco International Film Festival,¹²⁸ I was told of the Festival’s creative response to a copyright issue. In 1985, the Festival, after a hiatus of a few years, was reinstated to active status. To

¹²² *Id.* at 83.

¹²³ *See, e.g.,* Comedy Prods. III, Inc. v. Gary Saderup, Inc., 21 P.3d 797 (Cal. 2001).

¹²⁴ Netanel, *supra* note 15, at 83.

¹²⁵ *Id.* at 83.

¹²⁶ *See, e.g.,* Micro Star v. Formgen, Inc., 154 F.3d 1107 (9th Cir. 1998).

¹²⁷ Netanel, *supra* note 15, at 84.

¹²⁸ I was pro-bono counsel to this organization from 1983 to 1999.

celebrate its return, the Festival directors sought permission to include in their annual advertising trailer, run before each screening and on local television, a clip of the original *Frankenstein* motion picture, specifically the scene where Dr. Frankenstein (played by Colin Clive), after what he thought was a failure to animate his creature with a lightning strike, pounded on the creature's chest, exhorting it to come alive. The Festival wanted to use this clip to set the stage for its catchphrase: "Coming Alive in '85—the San Francisco Film Festival Returns." The studio controlling the rights to the film—despite the nonprofit nature and long history of the Festival, declined to grant a license, asserting that the film had been, at that point, overexposed. What to do? The Festival staff came up with an alternative approach. They approached Mel Brooks for permission to use a scene from *Young Frankenstein*, in which a similar scene, using the original movie's lab equipment, was performed by Gene Wilder, as Dr. Frankenstein, and Peter Boyle, as the monster. The permission was granted and the trailer was lauded as a great success.

2. On another occasion, clients of mine were producing an original play for a small local theater about life in the United States circa the 1950s. The opening scene involved two children watching a small black and white television on which an episode of *I Love Lucy* was playing. The rights to license and show the clip were too expensive for the theater company, and since this was a commercial venture, the successful use of the fair use doctrine could not be guaranteed. Again, the intervention of the creative spirit solved the problem—by turning the television set away from the audience and moving the children to a position facing the audience, the playwright then had an actor voice the traditional starting dialogue of the show, "Lucy, I'm home!", and the idea was embodied without the need for the use of the expensive clip.

I am not suggesting, by these examples, that all license and fair use issues can be similarly solved—however these instances are indicative of the fact that with creative people, solutions can often be found that do not require the use of a specific piece of copyright protected material in order to complete an expressive work.

In sum, the Critics' argument that the idea/expression doctrine and the fair use doctrine have become too rife with uncertainty to afford meaningful protection to users appears to lack merit—there is little empirical evidence to support the view, and many examples contra to it.

II. A REASONABLE APPROACH FOR CHANGE IN COPYRIGHT LAW—AN ANALYSIS OF THE ORPHAN WORKS REPORT AND ACT OF 2006

In many instances, the Critics' solution to the need for some revision of the copyright law is to apply the proverbial elephant to swat the fly. As Professor Mahoney points out, Professor Lessig's proposed solution is a return to the pre-1976 opt-in system, accompanied by a return to the formalities of copyright renewal and formal notice that the 1976 Act eliminated.¹²⁹ In response to this proposal, she notes:

What Lessig neglects to mention is that all formalities impose burdens, and that those burdens are experienced most keenly by the inexperienced and

¹²⁹ Mahoney, *supra* note 10, at 2329–30.

uneducated. While it is by no means definite that the costs of more formalities would outweigh the benefits, Lessig should at least acknowledge that corporate copyright holders are likely to have a much easier time negotiating the system than the lone individual creator, and that a turn to more formalities would bestow an advantage on none other than the “Big Media” interests Lessig abhors.¹³⁰

One concern that Professor Lessig focused on in his arguments in the *Eldred* case, the problem of “orphan works,” did generate interest in Congress. That interest was expressed via requests from Senators Orrin Hatch and Patrick Leahy¹³¹ and Congressman Lamar Smith,¹³² directed to the Copyright Office, that the matter be studied and that proposed solutions be offered.

A. The Copyright Office’s Methodology Used in the Preparation of the Orphan Works Report

In response to these requests, Marybeth Peters, Register of Copyrights, and her staff, prepared and issued a Notice of Inquiry (“Notice”) regarding the orphan works issue.¹³³ The Notice sought written comments from all interested parties as to “whether there are compelling concerns raised by orphan works that merit a legislative, regulatory or other solution, and what type of solution could effectively address these concerns without conflicting with the legitimate interests of authors and right holders.”¹³⁴

By framing the issue in this manner, the Copyright Office (“Office”) set the tone for the investigation it would conduct, and the Report on Orphan Works (“Report”)¹³⁵ it subsequently issued—and that tone was one of balance. The Office recognized that the interests of those who sought greater ease of access to, and use of, orphan works might conflict with the interests of copyright owners, their heirs, and assignees to retain control over their rights, and to avoid a return to the level of formalities that marked the pre-1976 copyright legal regime that had been the source of frequent loss of those rights through a failure to adhere to those formalities.

Persons interested in submitting comments were asked to do so within a two month period, and were also offered an opportunity to submit reply comments in direct response to the written comments received.¹³⁶ The Notice provided readers with a concise background section explaining how the problem of orphan works arose

¹³⁰ *Id.*

¹³¹ U.S. COPYRIGHT OFFICE, REPORT ON ORPHAN WORKS, A REPORT OF THE REGISTER OF COPYRIGHTS 6 (2006), available at <http://www.copyright.gov/orphan/orphan-report-full.pdf> [hereinafter ORPHAN REPORT] (containing a letter dated Jan. 5, 2005 from Senators Patrick Leahy and Orrin Hatch to Marybeth Peters, Register of Copyrights).

¹³² *Id.* at 8 (containing a letter dated Jan. 7, 2005 from Congressman Lamar Smith to Marybeth Peters, Register of Copyrights).

¹³³ Orphan Works, Notice of Inquiry, 70 Fed. Reg. 3739, 3739 (Jan. 28, 2005) [hereinafter Notice].

¹³⁴ *Id.*

¹³⁵ ORPHAN REPORT, *supra* note 131.

¹³⁶ Notice, *supra* note 133, at 3739.

as a by-product of the shift from an opt-in copyright protection system used in the 1909 Act, to an opt-out system under the 1976 Act.¹³⁷

Since the term of copyright protection under the 1976 Act was for the life of the author plus fifty years, and was later extended to life plus seventy years,¹³⁸ the concern arose that some works, whose owners could not be located, were effectively unavailable for use by third parties even though their owners appeared to no longer care to assert control over the works. Because it was difficult and costly to locate those owners, and the opt-out system meant that the works were still protected, prospective users were reluctant to use the works for fear of being the subject of infringement litigation. These works, no longer in use and whose owners could not be located to grant permission for others to use them, were deemed “orphan works.”¹³⁹

Noting that the uncertainty created by copyright in orphan works threatened to harm the public policy interest in the ability to create and disseminate works to the public, and citing approaches taken by other countries to address the problem,¹⁴⁰ the Notice of Inquiry identified six specific questions it sought comment on—the responses to which would subsequently be included in a Report to be prepared by the Office and submitted to Congress for consideration.¹⁴¹

The Notice of Inquiry generated 721 initial comments, and 146 reply comments, over a period of four months.¹⁴² The comments were submitted by a diverse array of individuals and interested organizations.

The Copyright Office next published a Notice of Public Roundtables to seek additional commentary on four designated topics: 1) identification of orphan works; 2) consequences of an orphan works designation; 3) reclaiming orphan works; and 4)

¹³⁷ *Id.* at 3740. Under the Copyright Act of 1909, rights holders were entitled, upon compliance with a formal registration process, to copyright protection for an initial period of twenty-eight years. *Id.* A right of renewal for an additional twenty-eight years was available, once again upon completion of a formal registration process. *Id.* This system has been characterized as an opt-in system since it required affirmative steps by the owner of the rights in order to secure the benefits of copyright protection. *See id.* The opt-in nature of the system was criticized over time, because the renewal requirement, and the requirement for strict compliance with an array of formalities, resulted in the loss of protection for many otherwise deserving creators and their heirs. *See id.* The 1976 Copyright Act attempted to address those concerns by eliminating most of the formalities, and by substituting an automatic protection scheme for the life of the author plus fifty years, thereby eliminating the need for renewal as well. *Id.* Since protection of the law was afforded to authors and other creators as soon as a work was fixed in a tangible form, the 1976 Act has been characterized as creating an “opt-out” system of protection. *See id.* A rights holder would have to affirmatively disavow claim to some, or all, of the rights afforded under the law, in order to allow third parties unrestricted rights to use the work. *Id.*

¹³⁸ *Id.* at 3740. The extension of the term to life plus seventy was accomplished by Congress’s passage of the Sonny Bono Copyright Term Extension Act of 1998. *Id.* *See also* CTEA, *supra* note 4.

¹³⁹ Notice, *supra* note 133, at 3740.

¹⁴⁰ *Id.* at 3741. The Office summarized the approaches taken by Canada and by the United Kingdom. *Id.*

¹⁴¹ *Id.* at 3741–43. The questions listed were: 1) nature of the problems faced by subsequent creators and users; 2) nature of “orphan works”: identification and designation; 3) nature of “orphan works”: Age; 4) nature of “orphan works”: publication status; 5) effect of a work being designated “orphaned”; and 6) international implications. *Id.*

¹⁴² ORPHAN REPORT, *supra* note 131, at app. B.

international issues.¹⁴³ The roundtable discussions, held in Washington, D.C. and in Berkeley, California, drew fifty-eight participants, primarily from organizations interested in the orphan works issue.¹⁴⁴

Following the roundtable discussions, the Office met informally with seventeen groups and organizations in the fall of 2005 to allow those organizations a requested opportunity to provide additional comments and responses.¹⁴⁵ Throughout the process of receiving these comments, responses, and conducting the roundtables and meetings, the Office staff was incorporating this data into a draft report to be published.

On January 23, 2006, Register Peters delivered the Report to Senators Leahy and Hatch.¹⁴⁶ The 127 pages of text contained the most comprehensive analysis of the orphan works issue done to date. The Report's investigation and conclusions echo many of the issues previously discussed in this article, and also demonstrate the balanced tone and nature of the Office's response to this issue—indicative, I submit, of the Office's overall approach to copyright concerns in the digital age. For these reasons, the text of the report warrants further scrutiny.¹⁴⁷

B. A Critical Analysis of the Orphan Works Report

1. The Overarching Goals

In the Executive Summary section of the Report, the Office notes that throughout its extensive investigation process, it has kept in mind “three overarching goals”:

First, any system to deal with orphan works should seek primarily to make it more likely that a user can find the relevant owner in the first instance, and negotiate a voluntary agreement over permission and payment, if appropriate, for the intended use of the work. Second, where the user cannot identify and locate the copyright owner after a reasonably diligent search, then the system should permit that specific user to make use of the work, subject to provisions that would resolve issues that might arise if the owner surfaces after the use has commenced. . . . Finally, efficiency is another overarching consideration we have attempted to reflect, in that we believe our proposed orphan works solution is the least burdensome on all

¹⁴³ Copyright Office, Notice of Public Roundtables, 70 Fed. Reg. 39341, 39342 (July 7, 2007) [hereinafter Roundtables].

¹⁴⁴ ORPHAN REPORT, *supra* note 131, at app. C.

¹⁴⁵ *Id.* at app. D.

¹⁴⁶ *Id.* at *preface* (containing a letter from Marybeth Peters, Register of Copyrights, to Senators Patrick Leahy and Orrin Hatch dated Jan. 23, 2006).

¹⁴⁷ Given the length of the Report and its appendices (201 pages) it is beyond the scope of this article to provide a detailed analysis of all of the issues addressed therein. I have chosen to focus on those elements which pertain to, and in some, but not all cases, support my thesis that the recent growth (or what others refer to as the “expansion”) of copyright law has been marked by reasonable, balanced stages, rather than an unchecked and dangerous process.

the relevant stakeholders, such as copyright owners, users and the federal government.”¹⁴⁸

As is always the case, our goals define and delineate the path we take to achieve them. Here, the Office makes clear that the primary purpose of any orphan works process should be to first advance the view that the best resolution of these issues is one which brings the copyright owner and prospective user into direct contact with one another, to provide them an opportunity to negotiate, if possible, a mutually agreeable license or other form of rights transfer.¹⁴⁹ By making this a priority, the Office signals that it is not embracing the idea that compulsory licenses with a fixed fee should be the principal vehicle for the solution of this problem. At a later point in the Report, the Office confirms this perspective when it notes that any fixed fee structure is going to be deemed by some users to be too high, and conversely by some owners to be too low.¹⁵⁰

Secondly, by imposing a requirement that prospective users, in order to take advantage of an orphan rights exception to liability for statutory infringement must make a diligent effort to identify and locate the rights owner, the Office rejects the argument that the users' interests in the untrammelled availability of works for re-use should be paramount.¹⁵¹ The pro-owner orientation in this position is balanced by the Office's determination that once a user complies with the diligent search requirement, an owner who surfaces after an orphan work is used has very limited remedies available—compensation is limited to a reasonable fee, and injunctive rights are also significantly limited.¹⁵² This is akin to the litigators' characterization of what comprises a good settlement—one where no one is happy.

This spirit of compromise and balance permeates the Office's approach. It is re-emphasized in the final consideration—which the Office refers to as the need for efficiency in their approach to the orphan works problem, but is really acknowledgment that their task in fashioning a proposed solution is made far more challenging because of the need to balance the often competing interests of the three primary stakeholders here—the copyright owners, those who desire to use their works, and the federal government under whose authority each parties' rights are to be regulated.

With these goals in mind, the Report provides a detailed analysis of the orphan works issue, the relevant legal framework, both national and international, that must be considered in reaching any resolution of the issue, and a summary of the solutions proposed by the various commentators who participated in the Office's

¹⁴⁸ ORPHAN REPORT, *supra* note 131, at 8.

¹⁴⁹ *Id.* (stating a “system to deal with orphan works should seek primarily to make it more likely that a user can find the relevant owner in the first instance, and negotiate a voluntary agreement over permission and payment, if appropriate, for the intended use of the work”).

¹⁵⁰ *See id.* at 84–85 (noting that one commentator “pointed out that where a compulsory license already existed in the copyright law for a type of use (e.g., the section 115 license), then the orphan work amount should match the compulsory rate”).

¹⁵¹ *Id.* at 8 (setting out the “basic qualification the user of the orphan work must meet—he must perform a ‘reasonably diligent search’ and have been unable to locate the owner” of the copyrighted work).

¹⁵² *Id.* at 11 (explaining that once a “user meets his burden of demonstrating that he performed a reasonably diligent search,” then the owner's remedies would be limited to “only reasonably compensation for the use” and limited injunctive relief).

study.¹⁵³ The Report concludes with the Office's recommended solution, representing the Office's best effort at synthesizing the commentaries into a balanced conclusion.¹⁵⁴ The outcome of this effort is not yet certain as of this writing, and for that reason this analysis is offered as a contribution to that ongoing dialogue.

2. "Orphan Works" Defined, and the Issues Presented

The Report offers a concise definition of what constitutes an "orphan work," and what is outside the definition: "The term certainly must mean what it implies: that the 'parent' of the work is unknown or unavailable. Therefore works whose owners are known, and situations involving those works, do not fit this definition and are not the subject of this inquiry."¹⁵⁵

The Report notes that the inability to identify or locate the owner of the work creates uncertainty for the prospective user.¹⁵⁶ This uncertainty may be addressed by reliance on one of the exemptions or limitations to copyright, however the user faced with this situation cannot, in the present state of the law, reduce the possibility, however remote, that the owner may surface at a date after the work has been used, and commence a claim for infringement damages and/or injunctive relief.¹⁵⁷

Prospective users seeking to identify and locate copyright owners confront a series of obstacles to success, the primary ones being listed by the Report as: "(1) inadequate identifying information on a particular copy of the work; (2) inadequate information about copyright ownership because of a change of ownership or a change in the circumstances of the owner; (3) limitations of existing copyright ownership information sources; and (4) difficulties researching copyright information."¹⁵⁸

While sympathizing with the plight users face in trying to identify and locate owners of different kinds of works (noting, for example, that photographs often present a daunting challenge as they often contain no authorship data whatsoever), the Report also points out that "[o]ther comments suggest that for many searches abandoned at an early stage, the user would have found the right-holder with slightly more effort."¹⁵⁹ This comment foreshadows the ultimate recommendation of

¹⁵³ *Id.*

¹⁵⁴ *Id.* at 98.

¹⁵⁵ *Id.* at 34. The Report notes modestly that it does not intend to present a "categorical definition." *Id.* However, it does distinguish orphan works from works that are "out of print," noting that the latter phrase refers to the commercial exploitation status of a work, which may have occurred because the owner no longer exists or has simply chosen to no longer market the work. *Id.* at 34 n.68. The Report points out that while it is sometimes the case that out of print works are also orphan works, it is not uniformly so. *Id.*

¹⁵⁶ *Id.* at 119 (stating "users who would like to create derivative works based on orphan works . . . stressed the fear of an untimely injunction . . . provides enough uncertainty that many choose not [to] use the work").

¹⁵⁷ *Id.* at 15. The exemptions and limitations referred to include the fair use doctrine, the defense arising from the idea/expression dichotomy, or the term limits of copyright. *See* 17 U.S.C. §§ 101, 107 (2006).

¹⁵⁸ ORPHAN REPORT, *supra* note 131, at 22.

¹⁵⁹ *Id.* at 33 (citing the example of a search for the estate of illustrator Roger Hayward, abandoned after reaching an initial dead-end, but revived and successfully completed using Internet-based tools, which yielded a consent to use license in a matter of a few days).

the Report that users be required to expend a diligent effort to identify and locate right-holders as a condition of being afforded the protection offered by any orphan works statute. The devil is always in the details, and a considerable effort is devoted by the Report in determining what will comprise a “diligent effort.”¹⁶⁰

The authors of the Report also note that many of the comments they received described situations which, on further consideration, were not actually orphan works problems, but rather raised issues relating to the response, or nonresponse, of identified owners—a problem outside of the scope of the orphan works issue:

These include situations where the user contacted the owner, but did not receive permission to use the work, either because the owner did not respond to the request, refused the request, or required a license fee that the user felt was too high. . . .

. . . .

. . . These issues are outside the scope of this inquiry because in such cases the copyright owner *can* be identified and located, and thus the question of the use of the work is left to the negotiation between the owner and the user, or the application of an existing exemption to copyright, and not any proposed solution to the “orphan works” problem.¹⁶¹

Here again, the Office makes it clear that where the right-holder can be identified and located, the parties are on their own regarding the terms and conditions under which use of a work may be made. Except for the exemptions and limitations allowed under copyright law, the federal government has chosen not to interpose itself further into the economic relationship between owners and users. No doubt this was a disappointment for those advocates in the user community who saw in the Notice the opportunity to lobby for a greater government role, with a concomitant diminution in the right of owners to set the terms of use of their work—however it appears that the Office concluded that to increase that governmental involvement would be contrary to the Article I, Section 8 constitutional mandate that the goal of intellectual property policy is to promote creativity by granting rights to the authors of works—and not to the users of those works.¹⁶²

The Report further categorizes the user population, dividing it into four separate groups:

In our view most of the uses described fall into four general categories: (1) uses by subsequent creator who add some degree of their own expression to existing works and create a derivative work; (2) large-scale “access” uses where users primarily wish to bring large quantities of works to the public, usually via the Internet; (3) “enthusiast” or hobbyist uses, which usually involve specialized or niche works, and may also involve posting works on the Internet; and (4) private uses among a limited number of people. It is

¹⁶⁰ *Id.* at 71–79 (discussing proposed solutions to the issue of defining a “diligent effort”).

¹⁶¹ *Id.* at 2, 22.

¹⁶² *See generally supra* text accompanying note 80.

important to keep these categories in mind when considering any proposed solution to the orphan works problem so that the proper balance between removing unnecessary obstacles to productive uses of the work and preserving the interests of authors and copyright holders can be struck by such a solution.¹⁶³

It seems fair to say that of these four categories, only the first one, those who seek to use works for the purpose of creating derivative works, involves a further creative element building upon the original work. The other three categories appear to be users who wish to copy and distribute the original work, for a variety of purposes, without adding anything of creative value to the work. A missing element in the Report is a statistical breakdown of how many users fall into each of these categories, and in particular, how many of the proposed users seek the right to use these orphan works for the purpose of creating derivative works.

Underlying this question is the assumption, which is certainly likely to draw a challenge, that the constitutional mandate supporting copyright is oriented to the protection of the rights of authors, rather than of distributors, and that in considering the rights of each group, the balance should swing in favor of creators' rights. Where this analysis gets complicated, of course, is in the situation where the owners of copyright protected material are not the authors, but instead are heirs, or business entities, that have acquired the ownership rights from those original creators. In that situation, the argument that the rights of the owners are superior to the rights of the users becomes more problematic.

However, it is my view that the balance should still swing in the owners' direction, since those who acquire the rights from the original author, in one way or another, are still parties from whom the author derived some benefit from, or in the case of heirs, provided some incentive for the author to create (i.e., for the right to pass on the benefits of their creations to their heirs). The same cannot generally be said of the users, from whom the authors derive no benefit.

Having provided a definition of both the term "orphan works" and the nature of the problem the term refers to, the Report next considers the legal background through which the issue must be viewed. While not all of this portion of the Report is relevant to this article,¹⁶⁴ several sections are of importance, and warrant discussion.

¹⁶³ ORPHAN REPORT, *supra* note 131, at 23.

¹⁶⁴ *See id.* at 44–52. Section IV.B. of the Report is entitled *Provisions in U.S. Copyright Law That Relate to Orphan Works*. *Id.* Subsection IV.B.1. focuses on Section 108(h) (library and archive rights to reproduce works in their last twenty years of protection as extended by the CTEA). *Id.* at 45–46. Subsection IV.B.2 focuses on Section 115(b) (compulsory licensing of nondramatic musical works.) *Id.* at 47–49. Subsection IV.B.3 focuses on Section 504(c)(2) (limiting infringement remedies based on the user's knowledge and the reasonableness of the user's beliefs). *Id.* at 49–50. Subsection IV.B.4 focuses on Sections 203, 304(c), and 304(d) (termination provisions which contain procedures for effecting termination of rights where the owners cannot be located). *Id.* at 50–52. While these sections, and the discussion of them in the Report, provide useful legal background for the purposes of the Report, they are not relevant to the scope of this article, and for that reason are not further discussed herein.

3. How the 1976 Copyright Act Created the Orphan Works Problem and How International Considerations Limit the Solution

The first of these sections deals with the historical factors that affect the orphan works problem.¹⁶⁵ The Report notes that the problem of orphan works was in a significant respect, created by the omnibus revision to U.S. copyright law via the Copyright Act of 1976.¹⁶⁶ Among many other changes, the term of copyright was changed by that revision from an initial term of twenty-eight years, followed by a renewal term of an additional twenty-eight years, which had been the term throughout most of the history of the Copyright Act of 1909, to a single term consisting of the life of the author, plus fifty years.¹⁶⁷

While this change had the positive effect of curing the formality driven frequency of forfeitures under the 1909 Act due to failure to register, renew or attach notice, which served as a “trap for the unwary,” an unfortunate side effect was that a significant number of works were granted copyright protection for a period longer than may have been valuable to their owners, or which allowed their owners to become more difficult to identify and/or locate. The authors of the Report felt it necessary, as do I, to note that Congress did not ignore this concern, but rather decided to incur the risk of harm to users that might flow from this change in approach, which was explained in the legislative analysis of the Act, as follows:

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

It is true that today's ephemera represent tomorrow's social history, and that works of scholarly value, which are now falling into the public domain after 29 years, would be protected much longer under the bill. Balanced against this are the burdens and expenses of renewals, the near impossibility of distinguishing between types of works in fixing a statutory term, and the extremely strong case in favor of a life-plus-50 system. Moreover, it is important to realize that the bill would not restrain scholars from using any work as source material or from making “fair use” of it; the restrictions would extend only to the unauthorized reproduction or distribution of copies of the work, its public performance, or some other use that would actually infringe the copyright owner's exclusive rights. The advantages of a basic term of copyright enduring for the life of the author and for 50 years after the author's death outweigh any possible disadvantages.¹⁶⁸

¹⁶⁵ *Id.* at 41–44.

¹⁶⁶ Copyright Act of 1976, *supra* note 16.

¹⁶⁷ *Id.* § 302(a).

¹⁶⁸ ORPHAN REPORT, *supra* note 131, at 43–44 (quoting H.R. REP. NO. 94-1476, at 136 (1976)).

It is clear that the drafters of the 1976 Copyright Act could not have anticipated that the digital revolution would greatly change the ease with which material could be copied and that the Internet would make distribution of content available for vast amounts of material at a keystroke. Would they, had they possessed that awareness, have declined to make the change in term and formalities? I doubt it. Central to their justification is the fact that the creative users of works still had, and still have, recourse to fair use and the idea/expression dichotomy, as well as other alternatives, to allow a means to use the works, and it is those needs, as opposed to the needs of distributors, which are paramount in the constitutional grant of intellectual property rights in Article I, Section 8.¹⁶⁹

As the Report notes, one of the other principal motivations behind this revision was to bring the United States into harmony with the prevailing law in the international copyright community, which is the Berne Convention for the Protection of Literary and Artistic Works.¹⁷⁰ There is a strong policy in Berne favoring a prohibition against formalities being required as a condition precedent to the grant of copyright protection.¹⁷¹ By becoming a signatory to Berne in 1988, the United States committed itself to retain the formality-free approach to copyright embodied in the 1976 Act, and to eschew a return to the formalities that were a hallmark of the 1909 Act.

As the Report notes, the effect of this with respect to orphan works is that any proposed legislation to address the problem cannot include a solution dependent on a reinstatement of formalities, such as requiring authors to participate in an address registry, since any such formality would violate Berne's prohibition.¹⁷² While legislation could be narrowly tailored to limit its impact only on copyright owners of U.S. works, and thereby avoid violating Berne, the Report cautions that such an effort would lead to unnecessary complication in copyright law, and would exclude "a large class of works for which locating the copyright owner is often very difficult."¹⁷³

¹⁶⁹ U.S. CONST. art. 1, § 8.

¹⁷⁰ ORPHAN REPORT, *supra* note 131, at 42 (stating the copyright law revisions in 1976 and 1998 were "important steps toward the United States' assumption of a more prominent role in the international copyrights community" and the "changes harmonized U.S. copyright law with prevailing international norms"); *see also* Berne Convention, *supra* note 47. The United States accession to Berne is reflected in the Berne Convention Implementation Act. Berne Convention Implementation Act, Pub. L. No. 100-568, 102 Stat. 2853 (1988).

¹⁷¹ Berne, *supra* note 47, at art. 5(2) (stating "[t]he enjoyment and exercise of these rights shall not be subject to any formality . . ."). Various commentators have noted that the definition of "formalities" prohibited by Berne is fluid and expansive:

Formalities are any conditions or measures—independent from those that relate to the creation of the work . . . or the fixation thereof . . . without the fulfillment of which the work is not protected or loses protection. Registration, deposit of the original or a copy, and the indication of a notice are the most typical examples.

ORPHAN REPORT, *supra* note 131, at 60 (citing MIHALY FICSOR, GUIDE TO THE COPYRIGHT AND RELATED RIGHTS TREATIES ADMINISTERED BY WIPO 41, ¶ BC-5.5 (2004)). Another commentator stated "[f]ormalities are 'everything which must be complied with in order to ensure that the rights of the author with regard to his work may come into existence.'" *Id.* at 60 n.152 (quoting the German delegate at the 1884 Diplomatic Conference (citing SAM RICKETSON, THE BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORK: 1886–1986 222 (1987))).

¹⁷² *See* ORPHAN REPORT, *supra* note 131, at 59.

¹⁷³ *Id.* The Report notes further that such an approach "discriminates against United States copyright owners and their works." *Id.*

4. *Alternative Approaches in the Law*

The Report notes that while the problem of orphan works has not yet been addressed with *sui generis* legislation, there do exist a variety of alternative approaches, some of which are derived from existing legal principles and statutes, which allow a user to go forward with their proposed use.¹⁷⁴ The legal principles involved include the idea/expression dichotomy and the fair use doctrine.¹⁷⁵

The “idea/expression dichotomy” refers to the principle that copyright protects the expression of ideas, but not the ideas themselves.¹⁷⁶ For users of an orphan work, this doctrine would allow the user to incorporate the idea embodied in the orphan work without exposure to infringement liability. So if it is the idea, rather than its expression, which is what the user really needs for use, this section of the Act allows this kind of use to be made.

The authors of the Report acknowledge that it is not always an easy task to separate out the idea from its expression in a given work, a problem which can, in turn, still result in a chilling uncertainty that might impel a user to forgo the proposed use out of fear that an infringement claim will follow, despite their best efforts to effect the separation of these elements.¹⁷⁷ The Report suggests, however, that this is a two-edged sword, which might also give an owner pause before commencing such a claim:

In fact, the uncertainty over the application of the idea/expression dichotomy is faced by both copyright owners and copyright users, and thus users might benefit from the uncertainty if it prompts a copyright owner not to bring action against a work that attempts to copy only idea and not expression.¹⁷⁸

Regrettably, this seems unduly optimistic. My colleague, Professor William Gallagher, has written of the use of the threat of litigation as a tool deployed by owners for strategic purposes:

Strategic intellectual property litigation refers to the use by intellectual property owners (and potential plaintiffs) of threats to sue and to the filing of lawsuits (regardless of whether there is any intent or

¹⁷⁴ *Id.* at 52 (stating “the Copyright Act and the marketplace for copyrighted works provide several alternatives to a user who is frustrated by the orphan works situation”).

¹⁷⁵ *Id.* at 53–56. In addition to the legal doctrines discussed, the ORPHAN REPORT points out the users can also address the problem of an orphan work by copying only the elements in that work which are not protected by copyright, or by seeking a substitute work for which the user has permission to use.

¹⁷⁶ See 17 U.S.C. § 102(b) (2006) (providing that “[i]n no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work”).

¹⁷⁷ ORPHAN REPORT, *supra* note 131, at 54 (stating “the line between idea and expression is not fixed and bright, but a gray area that requires judgment and therefore entails uncertainty as to whether the user has taken only ideas and concepts”).

¹⁷⁸ *Id.* at 55.

commitment to fully litigate a case to a judgment in court) to give effect to ostensible intellectual property rights, where the primary goal is not necessarily to obtain a monetary award but to alter the behavior of the threatened target (and actual or potential defendant). A typical intended result is often to force the target to stop using the alleged intellectual property.¹⁷⁹

As noted previously, the Critics' view is that users have an absolute free speech right to use the words or other artistic expression of authors for their own purposes.¹⁸⁰ This view, coupled with the use by owners of strategic intellectual property litigation, makes it unlikely that the idea/expression dichotomy presents a very useful alternative to users faced with an orphan works problem. The greater likelihood is that the proposed use does intend to incorporate the author's protected expression, and the fear of a reprisal, even for strategic purposes, continues to militate towards a more comprehensive solution.

The second statutory alternative approach cited in the Report is the fair use doctrine,¹⁸¹ which the Report notes is "one of copyright's important First Amendment accommodations."¹⁸² Fair use allows a user to make use of a portion of a protected work where the use is for a purpose such as criticism, comment, news reporting, teaching, scholarship, or research, and where the use does not significantly impair the market for, or marketability of, the underlying protected work. The statute contains a four-part test to be used to determine, on a case-by-case basis, whether the protection of the doctrine is to be afforded.¹⁸³

The Report notes that the case-by-case nature of the fair use doctrine carries with it, like the idea/expression dichotomy, a degree of uncertainty that may deter users from using the work in question, and again suggests that the two-edged nature of that uncertainty may provide some safety.¹⁸⁴ However, the same problem of strategic litigation tactics also presents itself in the fair use context. To a certain extent, fair use is even riskier than the idea/expression dichotomy, since reliance on the latter typically would mean the user would not be copying the exact expression used to embody the idea involved. Users relying on fair use have characteristically copied the author's expression as well, making a failure of the defense an almost certain exposure to intentional infringement liability and damages. Once again, this level of risk is high enough to suggest that the availability of this defense is scant solace for prospective users of orphan works.

¹⁷⁹ William T. Gallagher, *Strategic Intellectual Property Litigation, the Right of Publicity, and the Attenuation of Free Speech: Lessons from the Schwarzenegger Bobblehead Doll War (and Peace)*, 45 SANTA CLARA L. REV. 581, 610 (2005).

¹⁸⁰ See *infra* Section One, Argument 6: Free Speech Rights Include the Right To Use the Words or Other Expression of Another in Expressing Your Own Point of View.

¹⁸¹ 17 U.S.C. §107.

¹⁸² ORPHAN REPORT, *supra* note 131, at 55 (citing *Eldred v. Ashcroft*, 537 U.S. 186, 219 (2003)).

¹⁸³ 17 U.S.C. §107. No single element of the four-part test is dispositive, and courts applying the test are required to consider all of the elements found in the statute. See *generally* *Campbell v. Acuff Rose Music, Inc.*, 510 U.S. 569 (1994) (finding error in the lower court's determination that the commercial nature of the Two Live Crew musical group's recording of an alleged parody of the Roy Orbison song *Pretty Woman* was per se not fair use, and remanding the case for consideration of the remaining elements of § 107).

¹⁸⁴ ORPHAN REPORT, *supra* note 131, at 55–56.

These limited alternative approaches did not convince either the commentators, or the Office, that they provide a sufficient basis for protection for the users of orphan works. Consequently, the Office concludes its Report with a series of findings and recommendations for a *sui generis* legislative solution.¹⁸⁵

The Report first discusses the proposed solutions offered by the public comments it received, and then offers the Office's conclusions and recommendations, explaining in that final section why it chose some, and rejected others, of the commentator's proposals.¹⁸⁶ I flip this order in the following discussion, summarizing first the Office's conclusions and recommendations, and then noting the proposals they considered and rejected on the path towards their final determination.

5. *Conclusions and Recommendations of the Office*

Based on the comments received, and their extensive analysis of the problem, as detailed in part herein, the authors of the Report offer four conclusions:

1. The orphan works problem is real.
2. The orphan works problem is elusive to quantify and describe comprehensively.
3. Some orphan works situations may be addressed by existing copyright law, but many are not.
4. Legislation is necessary to provide a meaningful solution to the orphan works problem as we know it today.¹⁸⁷

From these conclusions, the Report recommends that “[t]he orphan works issue be addressed by an amendment to Chapter 5 of the Copyright Act regarding ‘Copyright Infringement and Remedies.’”¹⁸⁸ The authors of the Report next address the significant challenges this proposed legislative solution will attempt to resolve.

Beginning with the problem of identifying and locating the owners of orphan works, the proposed solution is to require prospective users to engage in a reasonably diligent search, and if that effort does not yield results, then the user should be entitled to “[a] benefit of limitations on the remedies that a copyright owner could obtain against him if the owner showed up at a later date and sued for infringement.”¹⁸⁹ The authors note that the search effort requires user “good faith” in addition to diligence.¹⁹⁰ The suggestion of commentators that particular sources of

¹⁸⁵ *Id.* at 92.

¹⁸⁶ *See id.* at 69–92 (discussing proposed solutions offered by commentators); *id.* at 92–126 (offering recommendations and conclusions drawn from conducting the report).

¹⁸⁷ *Id.* at 92–93.

¹⁸⁸ *Id.* at 93. The ORPHAN REPORT concludes with a proposal for recommended statutory language, in the form of a new Section 514, to be entitled “Limitations on Remedies: Orphan Works.” *Id.* at 127.

¹⁸⁹ *Id.* at 95.

¹⁹⁰ *Id.* at 98.

data, such as publicly available records in the Copyright Office or other resources be deemed sufficient to meet the search criteria are rejected by the Report for a variety of reasons, including the fact that advances in technology are likely to produce different resources in the future, and that creating and maintaining central registries of data is a costly endeavor.¹⁹¹

The Report next recommends that as a condition of use, prospective users include, to the extent it is available, attribution information in their use of the orphan works.¹⁹² Assuming a reasonably diligent search was conducted, and attribution, if possible, is provided, the Report recommends that the remedies available to a copyright owner who surfaces after the user has made use of the orphan work be limited both with respect to monetary and injunctive relief.¹⁹³ These proposed limitations are perhaps the most controversial aspect of the Report, and have to date, proved the most difficult to generate universal support.

As to monetary relief, the Report proposes that in a case where a user has made a reasonably diligent search for the owner, and after meeting with no success, proceeds to use the work and the owner subsequently surfaces and asserts a claim, that the monetary remedy be limited to only “reasonable compensation,” which is defined as “[t]he amount the user would have paid to the owner had they engaged in negotiations before the infringing use commenced.”¹⁹⁴

On its face, this recommendation seems eminently just. However, the authors of the Report note that it had already generated strong objections during the comment phase of their work.¹⁹⁵ On the one hand, nonprofit institutions which maintain large databases of orphan works, like photo archives, and museums, objected to the imposition of *any* fee for the use of the works.¹⁹⁶ On the other hand, photographers and authors of other works that, on a per-work basis, do not command large purchase or license fees, strongly objected that the elimination of statutory damages for copyright infringement, coupled with the high cost of litigation and the lack of certainty regarding the right to recover legal fees, would effectively deprive them of any means of enforcing their copyright rights.¹⁹⁷

¹⁹¹ *Id.* at 104–06, 109. The ORPHAN REPORT notes that the treatment of copyright as personal property makes tracing ownership through heirs, bankruptcy proceedings, and other ownership transfer events more difficult. *Id.* at 106. This is one area where the IP Academy could be of service. By encouraging colleagues who teach Wills and Trusts, Bankruptcy, and Business Associations and related courses to include units of study on the transfer of intellectual property, as well as continuing legal education programs to include a similar focus, members of the bar may become more aware of these issues in drafting related documents for their clients.

¹⁹² *Id.* at 110.

¹⁹³ *See generally id.* at 115–26.

¹⁹⁴ *Id.* at 116 (citing the opinion of Judge Leval in *Davis v. Gap, Inc.*, 246 F.3d 152 (2d Cir. 2001)). The opinion notes that using comparable license or sales fees is a way to prevent owners from seeking unrealistic compensation. *Id.* n.383. This is a not uncommon desire on the part of an owner who feels that their work has been “stolen” or who is unhappy not only with the fact of the unauthorized use, but also the circumstances or consequence of the use. *Id.* at 116. The authors note further that in the spirit of the *Davis* decision, the burden of proving that the work has any fair market value is on the owner, and the assertion may not be based on “undue speculation.” *Id.*

¹⁹⁵ *Id.* at 117.

¹⁹⁶ *Id.* At best, many of these institutions were willing to only consider a nominal, capped fee of one hundred to five hundred dollars per work.

¹⁹⁷ *Id.*

This latter group was even more alarmed by the recommendation that for nonprofit entities, such as museums and archives, where the use of the work at issue was a noncommercial use and where the user ceases that use upon receipt of notice of an infringement claim, that no monetary relief should be available at all.¹⁹⁸ As will be discussed in the next section, *infra*, these objecting parties played a significant role in the failure of Congress to adopt an orphan works law in the 2006 term.

With respect to the availability of injunctive relief to prevent uses of orphan works, a now-powerful weapon in the owner's arsenal, the authors of the Report, responding to the deterrent effect fear of an untimely injunction could have on an user's willingness to use an orphan work, recommended two different limitations on that form of relief.¹⁹⁹

The authors of the Report summarize these proposals as follows:

First, where the orphan work has been incorporated into a derivative work that also includes substantial expression of the user, then injunctive relief will not be available to stop the use of the derivative work in the same manner as it was being made prior to the claim of infringement, provided that the user pays reasonable compensation to the copyright owner. Second, in all other cases, full injunctive relief may be available, but the court must to the extent practicable account for and accommodate any reliance interest of the user that might be harmed by an injunction.²⁰⁰

The authors argue that this two-part standard is justified because those users who have added original content to the orphan work have a greater reliance interest in being able to continue to make use of the resulting derivative work, whereas those users who have simply reproduced and marketed the orphan work may be properly enjoined from its further use, provided the court can, if possible, balance the harm they will suffer from the injunction.²⁰¹

The final page of the Report contains "Recommended Statutory Language" in the form of a proposal to amend the Copyright Act by addition of a Section 514, tentatively entitled *Limitations on Remedies: Orphan Works*.²⁰² The proposed language serves to modify the infringement penalties set forth in Sections 502 through 505 of the Copyright Act for those situations where a user has made a good faith diligent search, and where possible, has provided appropriate attribution.²⁰³ In such situations, the language provides, the remedies, both monetary and injunctive, available to the owner will be limited as aforesaid.

The delivery of this exhaustive and well-researched Report moved the ball to Congress's court, where the issue of whether legislation to address the orphan works problem could be successfully developed and implemented.

¹⁹⁸ *Id.* at 118.

¹⁹⁹ *Id.* at 119–20. While pointing out that the actual likelihood of an orphan work owner actually incurring the cost and going to the effort of obtaining an injunction is small, the threat of such a step is still enough of a deterrent to prevent use. *Id.* at 120 n.386 (quoting a statement made by Paul Slevan, Holtzbrinck Publishing, during the July 26 Roundtable).

²⁰⁰ *Id.* at 120.

²⁰¹ *Id.*

²⁰² *Id.* at 127.

²⁰³ *Id.*

6. *Congress Tries and Fails: The Orphan Works Act of 2006*

On May 22, 2006, Congressman Lamar Smith of Texas introduced a bill, entitled the “Orphan Works Act of 2006,”²⁰⁴ which presented Congress with a version of the Copyright Office’s proposed statutory language for dealing with the orphan works problem. However, the proposed legislation differed from the Copyright Office’s proposed language in several important respects.

The drafters of the bill felt it necessary to add a section of “Definitions; Requirements for Searches,” which both explains what is and is not a “reasonably diligent” search, and attempts to set a minimum threshold for what will constitute reasonable steps to accomplish that search. These definitions provide as follows:

(2)(B) REQUIREMENTS FOR REASONABLY DILIGENT SEARCH

(i) For purposes of paragraph (1), a search to locate the owner of an infringed copyright in a work—

(I) is “reasonably diligent” only if it includes steps that are reasonable under the circumstances to locate that owner in order to obtain permission for the use of the work; and

(II) is not “reasonably diligent” solely by reference to the lack of identifying information with respect to the copyright on the copy or phonorecord of the work.

(ii) The steps referred to in clause (i)(I) shall ordinarily include, at a minimum, review of the information maintained by the Register of Copyrights under subparagraph (C).

(iii) A reasonably diligent search includes the use of reasonably available expert assistance and reasonably available technology, which may include, if reasonable under the circumstances, resources for which a charge or subscription fee is imposed.”²⁰⁵

This section also contains a requirement that the Copyright Office “receive, maintain, and make available” information from a wide array of sources that may guide or assist prospective users as to how to conduct their “reasonably diligent” searches.²⁰⁶ The section includes five different types of “information” to be provided, including “best practices for documenting a reasonably diligent search.”²⁰⁷ In some respects, this subsection is a minefield of potential problems for users. By offering a

²⁰⁴ Orphan Works Act of 2006, H.R. 5439, 109th Cong. (2006) [hereinafter the Orphan Works Act of 2006].

²⁰⁵ *Id.* at 2–3.

²⁰⁶ *Id.* at 3.

²⁰⁷ *Id.* Other sources of information the Copyright Office is expected to provide are vaguely defined—for example, subsection (C)(ii) of the Orphan Works Act of 2006 requires that the Office provide “other sources of copyright ownership information reasonably available to users,” leaving open and undefined the meaning and scope of what is “reasonably available.” *Id.*

series of requirements that are to be met, or provide a minimum threshold for what constitutes a reasonably diligent search, the drafters of the bill deliver a potent argument to copyright owners in future orphan works litigation, since any user who fails to follow the steps recommended in the Act will be presumptively deemed an infringer due to the failure to conduct a “reasonably diligent” search. A further concern arising from this set of proposed steps is whether their adoption would be viewed by the international copyright community as the kind of “formalities” proscribed by the Berne Convention.²⁰⁸

The other significant addition in the bill to the Copyright Office's recommended statutory language is the requirement that the owner of the orphan work bear the burden of proving what is “reasonable compensation” for the use, based on what a reasonable willing buyer and seller would have agreed to before the infringement began.²⁰⁹ Putting aside the fact that this definition disregards the noneconomic factors that affect the granting of rights to copyright protected work, as have been discussed *infra*,²¹⁰ imposing yet another burden on copyright owners, one that could prove particularly onerous for institutional users (not all of which are nonprofit, or otherwise exempt from the obligation of reasonable compensation) further exacerbates the negative aspects of the bill, from the perspective of those users.

The drafters of the Orphan Works Act of 2006 also offered, in Section 4 of the bill, the notion that there should be some means for addressing the needs of owners of copyrights in works that would not, in a “reasonable compensation” context, yield much income to their owners, making the pursuit of a claim economically unfeasible.²¹¹ The bill requires, in this Section 4, that the Copyright Office conduct an inquiry into remedies for small copyright claims to consider alternatives to the present statutory scheme requiring copyright infringement cases to be litigated through the U.S. district court system, a time-consuming and expensive process.²¹²

The Orphan Works Act of 2006, and the Copyright Office's Report that led to its creation, generated strong reactions, many critical. Commenting on the Report and proposed language on his blog, Professor Lessig wrote:

The Copyright Office's report is brilliant. Its proposal is less brilliant. Its essence is that a work is deemed an “orphan” if you can't discover the copyright owner after a “reasonably diligent search.” If the work is deemed an orphan, then the copyright owner's rights are curtailed.

I think this both goes too far, and not far enough.

Too far: . . . In my view, photographers and other existing copyright holders are right to be outraged at the proposal. Hiding under the cover of

²⁰⁸ See *supra* text accompanying notes 170–173.

²⁰⁹ See Orphan Works Act of 2006, *supra* note 204, at 5.

²¹⁰ See *generally discussion infra* Section One, Argument Two: Copyright's Principal Purpose Is To Provide Economic Benefits to Owners—The Property Right Created by Copyright Law Should Not Trump the First Amendment Rights of Users.

²¹¹ See Orphan Works Act of 2006, *supra* note 204, at 5–6.

²¹² *Id.* Since this bill was not adopted, to date the Office has not, so far as I can determine, issued such a Notice of Inquiry.

“reasonably diligent search,” much of their work will be—unfairly—threatened.

Not far enough: The trigger to the Copyright Office’s Orphan Works Remedy is whether a copyright owner can be found with a “reasonably diligent search.” That standard is just mush. The report outlines six factors to be considered in determining whether a search is “reasonably diligent.” The effect of this complexity is simply make-work for lawyers. Libraries and archives will be unfairly burdened. Users won’t be able to achieve any real security.²¹³

Professor Lessig offers an alternative to the Copyright Office proposal, which would limit the rights of owners to protection only as to old works. For new works created after enactment, he proposes a fourteen-year initial grace period, after which new works would have to be registered with a private registrar to qualify for protection.²¹⁴ Lastly, he exempts all foreign works and unpublished works from his alternative proposal.²¹⁵

It makes sense that Professor Lessig would exempt foreign works, since his proposal for a new “copyright maintenance procedure,” would in all likelihood be deemed the creation of a new system of formalities which are barred under Berne.²¹⁶ Presumably, he hopes to avoid a loss of the U.S. signatory status under Berne by exempting foreign owners from this proposal. It remains to be seen whether this would be effective—however there does not appear to have been much interest from Congress in adopting Professor Lessig’s approach—so its impact on Berne does not appear likely to be tested.

An even stronger negative response to the Orphan Works Act of 2006 was authored by representatives of the Advertising Photographers of America, an industry group. In a March 15, 2006 letter to the Counsel for the Subcommittee on Courts, the Internet and Intellectual Property, they warned of disastrous consequences if the bill passed:

If this amendment is enacted into law without significant revisions, it has the very real potential to destroy the businesses and livelihoods of thousands of artist, cost thousands of jobs, and result in a massive wave of litigation related to the use of orphan works. In its current form, this amendment is a disaster in the making.²¹⁷

²¹³ Posting of Lawrence Lessig to Lessig Blog, Copyright Policy: Orphan Works Reform, <http://www.lessig.org/blog/archives/003696.shtml> (Feb. 1, 2007, 03:34 EST).

²¹⁴ See LAWRENCE LESSIG, AN ORPHAN WORKS MAINTENANCE REQUIREMENT 1 (2007), <http://www.lessig.org/blog/archives/OWMR.pdf>; see also Video File: Against the Current “Orphan Works Proposals” (Lawrence Lessig 2007), http://www.lessig.org/blog/archives/Against_Web.mov [hereinafter Video File].

²¹⁵ Video File, *supra* note 214.

²¹⁶ *Id.* (comparing his proposal with patent maintenance procedures).

²¹⁷ Letter from Jeff Sedik, Chief Advisor on Licensing & Copyright, APA, to Joe Keeley, Counsel for the Majority, and Shanna Winters, Counsel for the Minority, U.S. House of Representatives, Subcommittee on Courts, the Internet, and Intellectual Property (March 15, 2006), available at http://www.asmp.org/news/spec2006/orphan_APAsstatement.pdf.

Faced with this critical response, the bill stalled in Committee and was not presented to the Congress for action.²¹⁸ It is presently being re-worked, in an effort to address some of the concerns of its critics. In particular, and in response to the Section 4 call for a remedy to address the small copyright claim issue, a proposal is under discussion to create a form of federal small claims court where small dollar copyright claims, such as are likely to be made by photographers, could be adjudicated at significantly lower cost to those owners. Another issue under discussion is the extent the bar on monetary damages for nonprofit users would be handled in the situation where a museum or other nonprofit reproduces an orphan work in an income-generating context, such as sales of merchandise bearing the work, sold in the museum store.²¹⁹ It remains to be seen whether, and in what form, Congress will be able to successfully adopt a bill dealing with the orphan works issue.

CONCLUSION

The seven arguments discussed herein are not all of the arguments advanced by the Copyright Critics in support of their call for sweeping reform of the Copyright Act, and for a return to a limited term, more formalities, and the end of the opt-out structure of the law. However, as the foregoing discussion illustrates, these seven arguments, central to the Critics' position, provide little support for that viewpoint, and absent far more compelling evidence of a need for change, fail to make the case that U.S. copyright law has descended into madness and constitutional over-breadth.

The conflicting array of viewpoints expressed over the orphan works amendment, despite the general consensus that this is a problem that needs to be addressed through new legislation, reflects that the task of amending copyright law is much more difficult than merely criticizing its effects from the safety of the Academy. The real world *mélange* of differing interests, magnified a thousand-fold when the international context is folded into the mix, which it must be in a borderless digital age, reveals the difficulty of making any change to copyright law, and urges that future critics adopt a more balanced and nuanced understanding of these diverse stressors. Copyright law remains a work-in-progress, but given the enormous pressure points brought to bear, it cannot be fairly said that its development is not being achieved, under the circumstances, in as reasonable a fashion as anyone can expect.

On the contrary, it appears that in this age of the Internet, copyright has, by and large, adapted well once more to the challenge of changing technology. Admittedly, there remain areas of concern, notably the fate of fair use under the DMCA, but the recent proposal of the Copyright Office and the Congress for the adoption of the Orphan Works Act of 2006 may be a hopeful sign that copyright law remains a vital and changing doctrine—and that with the application of a bit of reasonable change, will continue to be so for many years to come.

²¹⁸ See PhotoAttorney: Good News, Bad News on Orphan Works Act, <http://www.photoattorney.com/2006/09/good-news-bad-news-on-orphan-works-act.html> (Sept. 28, 2006, 07:28 CST).

²¹⁹ Nancy Wolff, Attorney at Cowan Debaets, Recent Developments in Copyright Law and Practice (presentation to the 22nd ABA Annual Intellectual Property Law Conference in Arlington, Virginia, on file with author).