

ORPHAN WORKS: CONGRESS CONSIDERS LESSENING PENALTIES FOR COPYRIGHT INFRINGERS

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Can you identify the owner of the copyright for this drawing?

ensure that the authorship of their works is determinable from a reasonable search.

As an example, imagine you are a documentarian doing research for a documentary on a historically-important, though fairly-recent, event. During your research you come across a number of photographs from the important day in question. These photographs contain valuable information for your documentary, information not available from another source. You would love to use them in your documentary and believe you must use them if your documentary is to be a success.

The photographs do not include a copyright “©” symbol, but as a law-savvy documentarian, you know that does not necessarily mean that the photographs are not protected under United States copyright law. You also know that, under current copyright law, the owner of the copyright in the photographs has “the exclusive rights . . . to reproduce the copyrighted work in copies or phonorecords; . . . to prepare derivative works based upon the copyrighted work; . . . to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending; and . . . to display the copyrighted work publicly”¹ Accordingly, you rightfully decide to seek out the copyright owner to negotiate a license to use the works in your documentary. Unfortunately, none of the photographs contain any indication as to by whom they were taken. You try an Internet search using a description of the photographs, but to no avail. After all of your efforts, all you have are the photographs that are protected under U.S. copyright law, but for which no author can be located. That is, you have an “orphan works” problem. You have to decide whether to put those orphan works aside and not use them in your documentary or to put the orphan works to good use in your documentary and risk a copyright infringement lawsuit down the road. You would hate to go through all the work to

The United States Congress is currently considering the Shawn Bentley Orphan Works Act of 2008, which seeks to limit the remedies available to a copyright owner in cases in which the infringer preceded the infringement with an unsuccessful attempt to try to locate the copyright owner. Under the Act, individuals and entities will be able to engage in blatant copyright infringement of orphan works without the risk of statutory damages penalties, attorney’s fees awards, or detrimental injunctions. To prevent such reduced-penalty infringements, copyright owners will have to take it upon themselves to

create your documentary around these photographs only to have the copyright owner surface later, once the documentary has become a success at all of the major film festivals, and demand statutory damages, attorneys’ fees, and an injunction prohibiting the documentary from being distributed. Thus, you put the orphan works aside, and the world never enjoys the benefit of seeing your masterpiece.

REASONS BEHIND THE SHAWN BENTLEY ORPHAN WORKS ACT OF 2008

Orphan works problems, such as the hypothetical above, are real and warrant attention, according to the January 2006 “Report on Orphan Works” issued by the United States Copyright Office (hereinafter “the Report”).² The Report is the result of an in-depth study conducted by the United States Copyright Office, during which roundtable discussions were held and more than 850 written comments and replies from various individuals and entities were received.³ Google, Inc.; the Science Fiction and Fantasy Writers of America; Brigham Young University’s Copyright Licensing Office; the Motion Picture Association; and the J. Paul Getty Trust were just a few of the entities that participated in the roundtables, which addressed how to best solve the orphan works problem.⁴

Following the issue of the Report, Senators Patrick Leahy, Orrin Hatch, and Robert Foster Bennett introduced the Shawn Bentley Orphan Works Act of 2008 (the “Orphan Works Act”) to the Senate. The bill, which is designed to “provide a limitation on judicial remedies in copyright infringement cases involving orphan works,”⁵ was passed by the Senate on September 26, 2008, and is, as of the writing of this article, waiting to be reviewed by the House Committee on the Judiciary. Senator Hatch contends that “[t]housands of artistic creations around the country are effectively locked away in a proverbial attic and unavailable for the general public to enjoy because the owner of the copyright for the work is unknown.”⁶ If signed into law, the Orphan Works Act will make it possible to utilize these otherwise-unavailable works, which are protected by copyright law, without the full risk of the usual copyright infringement remedies and without, in any way, attaining the copyright owner’s permission for the use.

CAUSES OF THE ORPHAN WORKS PROBLEM – HISTORY OF COPYRIGHT LEGISLATION

The orphan works problem has become more prevalent of late largely for two reasons. First, technological improvements have made it easier for a work or a part of a work to become separated from indications of ownership or permission, such as through sound “sampling” or reposting of someone else’s images on Internet sites.⁷ Second, and more importantly, the change in U.S. copyright law over the years has made it easier for authors to acquire copyright protection and has extended the length of the term of such protection, but has left the public with

less access to information on the copyright-protection status and authorship of the work.

Pursuant to the Copyright Act of 1909, if an author wanted the benefits of copyright protection, the author had to take certain steps or else forfeit copyright protection all together. Specifically, the author had to publish the work with proper copyright notice and register the work with the Copyright Office.⁸ Registration necessarily meant that pertinent information about all copyrighted works' protection status, ownership, and authorship was kept in a central location. Further, copyright protection applied only for an initial twenty-eight years, but was renewable for another twenty-eight years.⁹ If proper renewal was not acquired during the last year of the first twenty-eight year term, copyright protection was forever lost, and the work became open to use by the public.¹⁰ Thus, determining whether the copyright of a work had expired required only a search of the Copyright Office's registration and renewal records.

In 1976, however, a new Copyright Act awarded copyright protection to a work without any extra effort on the author's part. That is, copyright protection was established as soon as the author fixed the work in a tangible medium of expression.¹¹ The Copyright Act of 1976 further moved away from the fixed-term set by the 1909 Act, providing that, for works created on or after January 1, 1978, the copyright's term was the life of the author plus fifty years. Accordingly, no longer did an author of a work need to renew the copyright, or to register the copyright, or to publish the work, or even to put a copyright notice on the work. Rather, all the author had to do was create the work, and the copyright protection attached. Thus, a photographer could take a picture and that picture would be protected by the copyright laws for as long as the photographer lived and for fifty years thereafter. (In 1998, the copyright protection term was increased to the life of the author plus *seventy* years.¹²) No longer could a mere search of the Copyright Office's registration and renewal records reveal the ownership and status information for every copyrighted work.

As for works created before January 1, 1978, pursuant to the Copyright Act of 1976, their copyright protection life was extended to seventy-five years, but continued to be subject to the earlier renewal terms, and, in 1992, the renewal was made automatic by statute.¹³ In 1998, the life of works created before January 1, 1978, was again extended, this time to a term of ninety-five years.

Accordingly, under current copyright law, to determine whether a work is protected by copyright one usually needs to know when the work was created (*i.e.*, whether pre-1978 or thereafter), whether the author of the work is still alive (which usually requires knowing who the author is), and, if deceased, when the author died. In many instances, unless the work is registered with the Copyright Office or unless significant information about the author and creation date are included on the work itself, it is very difficult, if not impossible, to determine the copyright-protection status of a work or to identify and locate its author. Thus, because copyright protection automatically applies to a creative work fixed in tangible form and because the copyright owner is currently under no duty to make copyright-protection status information available to the public in order

to enjoy the benefit of copyright protection, there are a large number of works for which it is impossible to either determine whether the work is still protected by copyright or who the copyright owner is.

LIMITATIONS ON INFRINGEMENT REMEDIES UNDER THE ORPHAN WORKS ACT

The Shawn Bentley Orphan Works Act of 2008 seeks to make orphan works available for use without the risks of large monetary damages awards and detrimental injunctions. Importantly, however, the Orphan Works Act applies only to "orphan works," *i.e.*, copyrighted works for which the authors cannot be located. Thus, if the pertinent question between a determination of infringement and non-infringement is whether copyright protection applies at all, the Orphan Works Act will not be of help to the infringer.¹⁴ Further, the Orphan Works Act provides no protection to the infringer in situations in which identified authors have refused to respond to any of the infringer's correspondence or requests for licenses.¹⁵ Again, the Orphan Works Act is addressed only to works that are protected by copyright but whose copyright owner cannot be identified and found.

The Orphan Works Act, if made into law, will revise the chapter of the United States Code copyright law provisions that deals with infringement and remedies. That chapter, Chapter 5, currently provides that anyone who violates an exclusive right of a copyright owner (*e.g.*, by copying, publicly displaying, or making a derivative work from a copyrighted work) is a copyright infringer.¹⁶ The remedies for copyright infringement may be an injunction against continued infringement, impounding and/or destruction of the infringing articles, an award of the copyright owner's actual damage and additional profits of the infringer, statutory damages (which can be extensive)¹⁷, and costs and attorney's fees.¹⁸ The Orphan Works Act would limit these remedies available in a copyright infringement action if, before the infringer used the work in an infringing manner, the infringer, or someone acting on behalf of the infringer, (a) performed and documented "a qualifying search" in good faith to locate and identify the owner of the infringed copyright and (b) was unable to locate and identify the copyright owner.¹⁹ The infringer must also have (c) provided attribution, "in a manner that is reasonable under the circumstances, to the legal owner of the infringed copyright, if such legal owner was known with a reasonable degree of certainty, based on information obtained in performing the qualifying search;" (d) included with the use of the work made by the infringer notice that the work is being used as an orphan work, (e) asserted an orphan-works-use defense in the infringer's first pleading, and (f) stated, with particularity, the basis for the orphan-works-use defense at the time of making the initial disclosures under Federal Rule of Civil Procedure 26.²⁰

If elements (a) through (f) discussed above are proven, then monetary relief for the copyright infringement is limited to requiring the infringer to pay "reasonable" compensation to the copyright owner.²¹ However, the monetary relief available is even further limited if the infringer is a nonprofit educational institute, museum, library, archives, or public broadcasting entity, and if (1) the infringement was not for any purpose of

direct or indirect commercial advantage, (2) the infringement was primarily educational, religious, or charitable, and (3) the infringer ceased the infringement after receiving a notice of the infringement claim, with time to conduct a good faith investigation of the claim.^{22,23}

Injunctive relief is also limited by the Orphan Works Act. That is, the court may impose injunctive relief to prevent or restrain infringement, but, if the infringer has proven elements (a) through (f) above, the injunctive relief “shall, to the extent practicable and subject to applicable law, account for any harm that the relief would cause *the infringer* due to its reliance” on elements (a) through (f).²⁴ Moreover, injunctive relief is further limited if “the infringer has prepared or commenced preparation of a new work of authorship that recasts, transforms, adapts, or integrates the infringed work with a significant amount of original expression,” such that “any injunctive relief ordered by the court *may not restrain the infringer’s continued preparation or use of that new work,*” if the infringer “pays reasonable compensation in a reasonably timely manner after the amount of such compensation has been agreed upon with the owner of the infringed copyright or determined by the court”²⁵ The court must also order the infringer to provide attribution to the copyright owner “in a manner that is reasonable under the circumstances” if the copyright owner so requests.²⁶

Notably, while monetary relief is most limited in cases of a non-commercial nature, whether the infringing use is commercial has no bearing on whether the greatest amount of limitation on injunctive relief is available to the infringer. To the contrary, commercial uses are likely to involve a more significant investment of resources by the infringer than non-commercial uses; therefore, commercial uses are less likely to be subject to an injunction under the Orphan Works Act because an injunction would likely do greater harm to such an infringer than in cases in which the infringer has invested little in the would-be use.

Should the Orphan Works Act be enacted, copyright law in the United States will have made another significant swing; a swing away from placing absolutely no burden on an author to establish and maintain copyright rights toward requiring a copyright owner to take action to protect his or her copyright rights. This is, of course, good news for would-be infringers of orphan works. While there are several steps that must be taken to acquire the protections of the orphan-works remedies limitations, the steps are relatively simple, depending on the circumstances. On the other hand, worried copyright owners of *textual* works should be reassured that they can likely easily prevent infringers from utilizing an orphan-works safe harbor by making the authorship of their works readily searchable, though this will mean the loss of anonymity and will likely require that they make their work more readily open to copying than it otherwise would have needed to be.²⁷ However, copyright owners of *non-textual* works, such as artists, non-lyrical musicians, choreographers, and the like, will be hard-pressed to prevent infringement under the orphan-works safe harbors. That is, such non-textual copyright owners will likely find it difficult, if not impossible, to ensure that the authorship of their works will be determinable and identifiable from a search by a would-be infringer.

For example, take the image at the start of this article, absent plastering the author’s name on the image each time the author displays it in public, how can the author ever ensure that someone will not wrongly copy and display the picture on an obscure website without giving attribution to the author?²⁸ When someone else then comes along to that obscure website, sees the image, and wants to use it as an illustration in an anthology, how could that anthologist possibly search and identify the true author and copyright owner? A search on the Internet with a common search engine using key terms (*e.g.*, black and white, mannequin, hand, and room) would not be sufficient to identify the author unless those terms had, by chance, been used to identify this same image on another indexed website. More likely than not, even the best search efforts would not produce the identity of the work’s copyright owner; therefore, the anthologist would be protected by the Orphan Works Act in the event that the copyright owner surfaced and brought a copyright infringement claim against the anthologist.

CONCLUSION

In any regard, the Orphan Works Act has not yet been enacted, but given its unanimous approval by the Senate in September, this author expects that the Act will soon be widely approved by members of the House of Representatives as well. Thereafter, only time and further study will tell whether the Orphan Works Act provides a suitable solution to the orphan works problem.²⁹

ABOUT THE AUTHOR

Elizabeth Herbst Schierman is a registered patent attorney with the firm *Dykas, Shaver & Nipper, LLP*, in Boise. Her practice includes intellectual property litigation, patent prosecution, and trademark and copyright protection. Ms. Schierman holds degrees in law and chemical engineering from the University of Idaho where she was a member of the law review and the national moot court competition team. She was previously involved with intellectual property protection at the Washington State University Research Foundation and at Schweitzer Engineering Laboratories, Inc., an electrical engineering corporation in Pullman, Washington.

ENDNOTES

¹ 17 U.S.C. § 106. Other exclusive rights provided to a copyright owner apply in other situations, such as in the case of literary, musical, dramatic, and choreographic works, pantomimes, motion pictures, and other audiovisual works to be performed and in the case of sound recordings to be performed publicly.

² Register of Copyrights, *Report on Orphan Works* (Jan. 2006), at 2, available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>.

³ Marybeth Peters, Register of Copyrights, Letter to Chairman Hatch and Senator Leahy (Jan. 23, 2006), available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>.

⁴ Register of Copyrights, *Report on Orphan Works* (Jan. 2006), at 195–205, available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>.

⁵ Shawn Bentley Orphan Works Act of 2008, S. 2913, 110th Cong. (2008).

⁶ Orrin G. Hatch, U.S. Senator for Utah, Remarks to the Senate (Apr. 28, 2008), transcript available at <http://www.thomas.gov/cgi-bin/query/D?r110:1:/temp/~r110Cu3xpK::>

⁷ Marybeth Peters, Register of Copyrights, Statements before the

Subcommittee on Courts, the Internet, and Intellectual Property, Committee on the Judiciary (Mar. 13, 2008) (transcript available at <http://www.copyright.gov/docs/regstat031308.html>).

⁸ Register of Copyrights, *Report on Orphan Works* (Jan. 2006), at 41, available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>.

⁹ *Id.* at 42.

¹⁰ *Id.*

¹¹ *Id.* at 41 (citing Pub. L. No. 94-553, 90 Stat. 2541 (1976)).

¹² *Id.* at 42.

¹³ *Id.* (citing Copyright Renewal Act of 1992, title I of the Copyright Amendments Act of 1992, Pub. L. No. 102-307, 106 Stat. 264 (1992) (amending 17 U.S.C. § 304 to add an automatic renewal term.)).

¹⁴ Assuming the Orphan Works Act becomes enacted law, if a would-be work user finds him- or herself with a work for which the copyright-protection status is undeterminable, as long as the author of the work is unknown and not locatable, the would-be work user would be well advised to meet the requirements of the Orphan Works Act in order to protect him- or herself from the full remedies of an infringement suit, should it turn out that the work was indeed protected by copyright.

¹⁵ Register of Copyrights, *Report on Orphan Works* (Jan. 2006), at 22, available at <http://www.copyright.gov/orphan/orphan-report-full.pdf>.

¹⁶ 17 U.S.C. § 501(a).

¹⁷ Statutory damages are available to a copyright owner in certain circumstances, such as when the copyright for the infringed work was registered before the infringement began. 17 U.S.C. § 412. Copyright owners often elect to pursue statutory damages, rather than actual damages and profits, when such election is a possibility, so as to avoid having to prove damages and profits and because statutory damages can often be much greater than actual damages and profits. Statutory damages range from \$200 to \$150,000, depending on the court's discretion and whether the infringement was willful. 17 U.S.C. § 504(c).

¹⁸ 17 U.S.C. § 504.

¹⁹ Shawn Bentley Orphan Works Act of 2008, S. 2913 § 2, 110th Cong. (2008). Proving that a search was performed, documented, qualifying, conducted in good faith, and unsuccessful in locating a copyright owner is the infringer's burden and must be proven by a preponderance of the evidence. *Id.*

²⁰ *Id.*

²¹ *Id.*

²² *Id.*

²³ Of course, current U.S. copyright law already provides for exceptions to the infringement provisions in certain circumstances. For example, "fair use" is not an infringement of a copyright. 17 U.S.C. § 107. Examples of fair uses include a reproduction "for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research . . ." *Id.* Because use for teaching, scholarship, or research is already exempt from infringement under current copyright law, it is interesting that the Orphan Works Act provides for additional protections of infringers in cases of non-commercial infringement for educational use where the infringement ceases upon notice of a claim. Accordingly, if the Orphan Works Act is enacted, educators, and others similarly situated, may be able to defend infringement claims on two fronts, *i.e.*, by arguing both that the use is a "fair use" and, in the alternative, that remedies are limited under the orphan works provisions, if the work qualified as an orphan work.

²⁴ Shawn Bentley Orphan Works Act of 2008, S. 2913 § 2, 110th Cong. (2008) (emphasis added).

²⁵ *Id.* (emphasis added).

²⁶ *Id.*

²⁷ For example, Google, Inc., has undergone a project to make the full text of books available through Google Book Search. See <http://books.google.com/googlebooks/agreement/>. Currently, the full texts of approximately 7,000,000 books are available to be searched. On or around October 30, 2008, Google, Inc., announced the settlement of a class action suit against it by the Authors Guild, the Association of American Publishers, and a handful of other authors and publishers. *Id.* This settlement will allow Google to considerably expand its current Google Book search services. Juan Carlos Perez, *In Google Book Settlement, Business Trumps Ideals*, PC WORLD BUSINESS CENTER, (Oct. 30, 2008), http://www.pcworld.com/businesscenter/article/153085/in_google_book_settlement_business_trumps_ideals.html (last visited Nov. 3, 2008). Accordingly, should a would-be documentarian come across even a small section of a book, that documentarian will likely be able to quickly and easily search for the author thereof using a simple Google Book Search.

²⁸ Even where the author to paste his or her name directly over the drawing image as a water mark, the author could not prevent an infringer from digitally modifying the image to remove the name before displaying it to others without the author's permission.

²⁹ The Orphan Works Act calls for a report from the Register of Copyrights on or before December 12, 2014, regarding the implementation and effects of the remedies limitations provisions of the Orphan Works Act, including any recommendations for legislative changes. Shawn Bentley Orphan Works Act of 2008, S. 2913 § 4, 110th Cong. (2008).