

## **An Update on Orphan Works**

### **By George H. Pike\***

Copyright law seeks to find a balance between opposing interests. On the one side are the interests of copyright owners, those who have created works and are seeking both commercial return and creative control over those works. On the other side are the interests of users of copyrighted works, those who seek to use existing works to build and create new works. The Constitution, in permitting Congress to create copyright law, recognized this balance in its pronouncement that the purpose copyright is to “Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.”

Over the last two centuries Congress has passed a number of copyright statutes to attempt to maintain this balance. The Copyright Act of 1976—with some changes such as the Copyright Term Extension Act (CTEA) and the Digital Millennium Copyright Act (DMCA)—is the current law. It replaced the earlier Copyright Act of 1909 as new media technologies and a changing society purported to upset the balance that had existed.

But since the 1976 Act went into effect, technology and changes in our more media-driven society have made the copyright balance more difficult to achieve. In many respects, changes such as the CTEA and the DMCA have added to the difficulty. The issue of orphan works is one area where finding a balance within copyright law is proving challenging.

### **Unidentified copyright owner**

Orphan works are somewhat a creature of the Internet and other new media platforms. Orphan works are defined as copyrighted works for which the copyright holder cannot be identified or located. People who wish to use that work as the basis for creating new work—such as a digital archives, compilation, or adaptation—feel unable to do so due to the risks associated with copyright infringement. If they can’t find a person to get permission and go ahead with their project, there is a risk of damages should the copyright owner eventually turn up and sue for infringement.

The legal challenges presented by orphan works have been recognized by the Supreme Court, Congress, and the U.S. Copyright Office. In *Eldred v. Ashcroft*, which affirmed the 20 year extension of copyright provided by the CTEA, Justice Stephen Breyer wrote, “The potential users of such works...historians, scholars, teachers, writers, artists, database operators, and researchers of all kinds--want to make the past accessible for their own use or for that of others... (W)here computer-accessible databases promise to facilitate research and learning, the permissions requirement can stand as a significant obstacle.”

### **Copyright Office report**

Congress responded by asking the U.S. Copyright Office to investigate the problem. In January 2006, the Office issued a 127 page report outlining the problem and recommending both legislative and non-legislative solutions. The 109<sup>th</sup> Congress seemed to take on this issue with

several proposals to address the orphan works problem. However, none of those proposals passed by the end of the Congress in December 2006, and as of this writing, no proposals have been introduced by the current Congress.

The appellate courts, also, have been reluctant to explore any solutions. In May, 2007, a California federal appeals court rejected a claim that current copyright law—which creates an automatic copyright lasting a minimum of 70 years--violates the First Amendment. The court found that even though the process of obtaining permission to digitize works with little or no commercial value was “overwhelming” and that the identity of a copyright owner was sometimes “impossible to obtain”, this was not enough to trigger a violation of free speech under the First Amendment.

There are, however, are some promising efforts to reduce, if not eliminate, the challenges confronted by orphan works. Both the Copyright Office’s report and the California decision noted that existing laws often serve to make fewer works protected by copyright than many users expect.

### **1923 to 1963**

Many of these exceptions apply to material that was published between 1923 and 1963 under the copyright rules established in 1909. Material published prior to 1923 has already fallen into the public domain. Material published since 1963 have had their copyrights automatically renewed. For other materials, copyright was originally for 28 years, with a one-time 28 year renewal. The California court described this renewal as a “filter that passed certain works—those without commercial value—into the public domain.”

Consequently, if a work’s copyright was not renewed, it has fallen into the public domain. In April 2007, Stanford University launched an online database of copyright renewal records covering the period 1950 to 1977 (<http://collections.stanford.edu>). Works published on or after 1923 would have been renewed on or after 1950. The database can be browsed by year, author or title, or can be keyword searched by author, title, original registration date, and copyright renewal date.

The Stanford database covers only renewals for books, it does not include music, journals or other non-book materials. A similar project is underway at Project Gutenberg and includes book renewals and some renewals for serials, contributions to periodicals and pamphlets. The text has been scanned and transcribed, and is presented by year in alphabetical order, but is otherwise not searchable. Both of these resources cover the gap in the U.S. Copyright Office’s records which are available electronically from 1978 forward.

### **Notice of copyright**

Another potential exception created by the 1909 Copyright Act is whether the material had a copyright notice. Published works were required to have a notice of copyright, otherwise the material automatically fell into the public domain. Material that was commercially published, like books, music, films, etc., are likely to have this notice. However, material that was

informally published, or material that was not expected to have significant commercial value, often omitted the notice. This may include postcards, pamphlets, photographs, trade publications, and similar works.

It is important to remember, however, that this exception only applies to published works. Unpublished material such as private letters, papers or photographs retain their copyright protection.

The Copyright Office's report on orphan works also noted that copyright infringement penalties take into account the difficulties associated with orphan works. Section 504 of the current Copyright Act allows a court to reduce the damages for copyright infringement when it can be shown that the infringer was not aware of and had no reason to believe that they were infringing. They can also reduce damages where a nonprofit educational institution, library or archives has reasonable grounds for believing that the fair use doctrine applies to their use. The Copyright Office suggested that this would apply when a library "seeks to use an orphan work, and the library reasonably believes that the use is a fair use."

### **Penalties vs. risk**

It has been argued that these lower damages are a part of the balance that copyright law strives to achieve. The public benefits of copyright are served by reducing the penalty for uses that promote the "progress of science and useful arts." Creating an environment where financial penalty is reduced can encourage the taking of modest risks by libraries and archives to further knowledge.

If orphan works are published by libraries or archives, it is always possible that the copyright owners may never appear, or may grant permission. If they do appear and object, the statute encourages the copyright owner to settle as the owner's potential copyright damages are reduced. Negotiating a license or royalties—plus the re-exposure of the work through the new publication—may prove more rewarding.

### **A "reasonable search"**

The Copyright Office's 2006 orphan works proposal continued along these lines. The proposal would require a potential user of an orphan work to conduct a "reasonable search" for the copyright owner. In return for conducting a reasonable search, the owner's claims in an infringement action would be limited to reasonable compensation only, and limits would be placed on the owner's ability to restrict the new publication.

There appears to be some renewed interest in taking up legislative solutions to the orphan works challenge. In May, Rep. Howard Berman (D-Cal.), chair of the House Judiciary Subcommittee on Intellectual Property announced that resolving the "orphan works dilemma" was one of his copyright priorities. A recent British government report on intellectual property recommended that the European Union adopt a provision to address orphan works. The globalization of intellectual property often encourages the U.S. to act in similar fashion to the E.U., and vice versa.

## **Creativity**

Legislative solutions are not likely to completely solve the orphan works problem. Market creativity may be an equal or better solution. The Stanford database is one example. Additional databases of copyright data, such as a database that can track copyright transfers or corporate mergers affecting copyright, could be pursued by either the Copyright Office or private or educational institutions. A mechanism that allows copyrights to be abandoned or transferred to the public domain could be put in place. Copyright is about creativity. Solutions to copyright problems such as orphan works may be found, if only the right creative efforts are applied.

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