

# Will Anyone Adopt the Orphans?

by **Dan Duncan** (Director, Government Affairs, The McGraw-Hill Companies) <daniel\_duncan@mcgraw-hill.com>

The **109th Congress**, which finished its term last January, held much promise for finally passing orphan works legislation. It's a discussion that has been ongoing in Washington for years — even predating passage of the **Sonny Bono Copyright Term Extension Act** in 1998.

Throughout the course of the orphan works legislative crafting and debate last year, some overall principles have remained (I'll discuss these in further detail). The legislation must:

- Ensure that unauthorized use is recognized as potential infringement, with the potential for full liabilities as allowed under the law.
- Allow use of orphan works as a means of furthering the flow of information.
- Require those who wish to use orphan works to undertake a diligent search for the rights owner.
- Relax liabilities for infringement under certain circumstances.
- Ensure that rightsholders receive attribution and compensation for use of their works.

All of these precepts were contained in the various bills that arose last year — including **H.R. 5439**, the bill as originally introduced, and **Title II of H.R.6052**, the **Copyright Modernization Act of 2006**, which failed to gain **House Judiciary Committee** approval before the **109th Congress** adjourned.

But the devil, as they say, is in the details; or in Washington, it's in the politics. Why the legislation failed to pass, and why we have yet to see reintroduction of the bill in this **Congress**, can help us understand whether orphan works legislation will ever be passed, and if so, whether further changes in the bill should be expected.

Long before the emergence of the **Copyright Office's** study on the subject in 2006, the issue of using orphan works has been one of great concern to the library and university communities. Their role as gatekeepers of knowledge, including means of furthering knowledge, has naturally led to their championing of orphan works reform.

Publishers, on the other hand, are concerned with the possibility that their works — including those in catalogs acquired through merger and acquisition — might suddenly be deemed “open for exploitation.” That concern remains a primary one for publishers and explains much of their stance on last year's orphan works bill, as well as whatever positions they may take on legislation that could appear in the coming year.

Other events also have come to influence the orphan works debate. One is the growing use of the Internet as a publishing and redistribution medium — and one in which increasing amounts of piracy, even of print-only works, is on the rise. There are growing concerns that users would inadvertently use materials

under a new orphan works law without taking proper rights clearing precautions. Add to that an increasing trend among publishers to “repackage” information, both information they own and information from other sources. Publishers undertake enormous efforts to clear rights under such circumstances — both ensuring that rights that authors provide under contract or license have not reverted back to the author, and in seeking permissions from other copyright owners. They do not generally feel encumbered by lack of rights information, since a good part of their business involves securing and clearing rights, and they act with great care before risking publication of others' copyrighted materials without authorization.

Finally, there are always the political and “greater policy” issues to be considered. On the political front, most copyright owners view the orphan works legislation as a “gimme” to the user community. In that context, some rightsholders feel that any “concession” to universities and libraries should be balanced by benefits to rights owners. (And before our friends in the academic and library communities cry foul at that notion, it's helpful to remember that they also seek special provisions in legislation they consider “publisher friendly.”) On the greater policy front, university and library associations have been seeking to formalize the fair use exceptions under current law as statutory guarantees.

This mix of ingredients led to the final recipe for last year's orphan works legislation. The bill's premise is that use without authorization is still an infringement and that authors and publishers who allege infringement will be entitled to their day in court. At the same time, users who undertake and document a reasonably diligent search for rights owners before using works (as laid out in certain provisions of the bill) can escape the full panoply of copyright liabilities otherwise available, if the owner later discovers the use and seeks a judgment of infringement.

At the very least, the bill allows courts to continue ensuring that under most circumstances the owner receives “reasonable compensation” and attribution for use of the work. For example, an owner can request and receive injunctive relief — always an important stopgap measure in cases of egregious infringement — but only under certain circumstances. Last year's measure would limit injunctive relief to cases where use of the original work is “transformative” and results in a so-called “new work.” In those cases, the new work can continue to be produced but reasonable compensation must be paid to the original rights owner and attribution must be made. This restriction of injunctive relief extends fair use allowances beyond what courts have traditionally been willing to grant.

Those basic provisions were all carefully negotiated and crafted in 2006, following publication of the **Copyright Office's** report and recommendation for legislation. They remained part of the bill as it progressed through hearings and mark-ups in the **House Judiciary Committee** and appeared in the final legislation that became **Title II of H.R. 6052**. But the question remains why the bill — with so much agreement among major interest groups — never passed and what outstanding or new issues may signal reasons for delaying reintroduction in this **Congress**, let alone chances for passage in 2008.

First and foremost were concerns raised by photographers and graphic artists. Both groups rightly asserted that they have had enormous difficulties with infringement even absent the relaxed enforcement provisions contained in the orphan works bill. They fear that without a registration system or database for their works, potential users would rarely, if ever, be able to locate the original photographers or graphic artists. While on a policy level those arguments may seem out of sync with our current non-mandatory registration system, they found many sympathetic ears in **Congress** who were willing to withhold final consideration until more attempts have been made to resolve those concerns. In the interim, most people involved in the orphan works debate have agreed that it is up to photographers and graphic artists — or at the very least trade groups and guilds that represent them — to establish a rights database for such works. Mandatory registration is not an option after the United States acceded to the **Berne Treaty**, and the cost for the **Copyright Office** to establish and maintain such a database is prohibitive. Still, none of us should assume that those groups will not continue to seek further relief under any new bill.

Another issue that arose toward the end of the last **Congress** was sovereign immunity. Briefly put, a series of “states-rights” decisions by the **Supreme Court** in the late 1990's severely restricted copyright owners' ability to sue states or their entities (including state universities, libraries and museums) for

monetary damages when seeking infringement judgments. Over the course of several years, library and university representatives have been unwilling to engage in finding a legislative solution to this issue on a macro level. With the new orphan works bill, publishers saw an opening to help resolve the matter, at least on a limited basis. As a result, the bill required state governments and their entities to pay reasonable compensation to the orphan works owner asserting infringement, even if a diligent search for the rights owner was undertaken.

Both of these issues were enough to stall fi-

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nal consideration of the orphan works measure. In the end, the **House Judiciary Committee** tried to create an omnibus bill that included the orphan works legislation, but that measure (**H.R. 6052**) also contained controversial digital music licensing provisions that were enough to guarantee that neither the full **House** nor the **Senate** would take up the measure.

Since that time the debate on orphan works has gone silent. Partly that is because both the **House** and **Senate Judiciary Committees** have been focused on patent reform, and no other rights-related legislation is likely to be considered until that debate has run its course. At the same time, it is not unusual for legislation from a previous **Congress** — no matter the amount of time and effort devoted in carefully crafting compromises — to be open for full reconsideration.

Indeed, that appears to be the case. Both sides of the debate have been focusing on the “diligent search” requirements from last year’s bill, and both can be expected to offer revisions — from the library and academic communities probably less strictures, and from the publisher and author communities more specific statutory guidelines. Other issues may also arise. For example, third-party licensing arrangements — sometimes granting exclusive rights and sometimes not — have become commonplace among copyright owners. The bill last year did not address situations where the copyright owner is found but the third-party licensee to whom rights have been granted cannot be located, or vice versa. In addition, it is uncertain whether libraries and universities have less energy or enthusiasm for the legislation, perhaps because a great deal of their effort has been devoted to the **Copyright Office’s** current **Section 108** study group or because of those sovereign immunity provisions contained in last year’s bill.

All of these issues, and more, will be further debated before a final orphan works bill is in-

## against the grain people profile

Director, Government Affairs, The McGraw-Hill Companies  
1200 G Street, NW, Suite 200, Washington, DC 20005  
Phone: 202-383-3702 • Fax: 202-383-3718  
<daniel\_duncan@mcgraw-hill.com>

### Dan Duncan

**BORN & LIVED:** Wichita, KS; Grinnel, IA; Boston, MA; Germany; Italy; Philadelphia, PA; Orlando, FL; Washington, D.C.

**EARLY LIFE:** Born and raised in Wichita, KS; attended public schools.

**FAMILY:** Single, unmarried.

**PROFESSIONAL CAREER AND ACTIVITIES:** Eight years as legislative director for former **Rep. Jack Brooks (D-TX)**, former chairman of the **House Government Operations and Judiciary Committees**. Lobbyist representing **West Publishing Company** (1989-1993); Senior Vice President, Government Affairs, **Information Industry Association** (1995-1998), Vice President, Government Relations, **Software & Information Industry Association** (1999); Executive Director, **NFAIS** (2000-2001).

**IN MY SPARE TIME I LIKE:** What spare time?

**FAVORITE BOOKS:** *Siddhartha* by **Hermann Hesse**; *Tin Drum* by **Günter Grass**, *Alexandria Quartet* by **Lawrence Durrell**; *Narrative of the Empire* series by **Gore Vidal**; almost any biography.

**PET PEEVES/WHAT MAKES ME MAD:** People to whom the words “please and thank you” are not in their lexicon.

**PHILOSOPHY:** Carpe diem.

**MOST MEANINGFUL CAREER ACHIEVEMENT:** Finally landing a job at **McGraw-Hill** (seriously).

**GOAL I HOPE TO ACHIEVE FIVE YEARS FROM NOW:** See a database protection measure enacted in the United States.

**HOW/WHERE DO I SEE THE INDUSTRY IN FIVE YEARS:** The industry will be even more digital, users will be wanting even greater control over the information we provide, and without strong and active education and compliance systems, piracy will likely destroy more than one publishing house. 🌱

roduced again — let alone before a final bill is blessed by **Congress**. In the long run, the chances for passage of orphan works legislation seem dimmer as each day passes without reintroduction of a bill. The real push must

come from those who see a policy or political advantage in finalizing a measure — and that means publishers and users must come together and determine whether and what kind of orphan works bill they want. 🌱