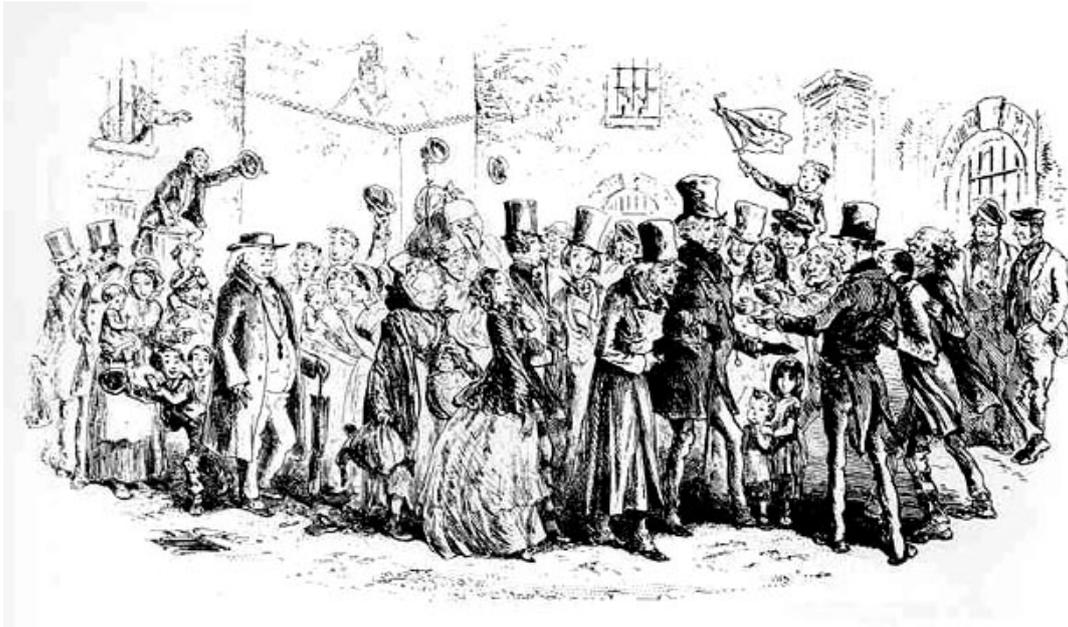


A SUBMISSION TO THE AUSTRALIAN LAW REFORM COMMISSION

**COPYRIGHT AND THE DIGITAL ECONOMY:
THE COPYRIGHT TERM AND ORPHAN WORKS**



The Marshalsea becomes an orphan by Phiz (Halbot K. Browne).

Illustration for Charles Dickens's *Little Dorrit*, 1857.

DR MATTHEW RIMMER

AUSTRALIAN RESEARCH COUNCIL FUTURE FELLOW

ASSOCIATE PROFESSOR

THE AUSTRALIAN NATIONAL UNIVERSITY

COLLEGE OF LAW

The Australian National University College of Law,
Canberra, ACT, 0200

BIOGRAPHY

I am an Australian Research Council Future Fellow, working on Intellectual Property and Climate Change. I am an associate professor at the ANU College of Law, and an associate director of the Australian Centre for Intellectual Property in Agriculture (ACIPA). I hold a BA (Hons) and a University Medal in literature, and a LLB (Hons) from the Australian National University. I received a PhD in law from the University of New South Wales for my dissertation on *The Pirate Bazaar: The Social Life of Copyright Law*. I am a member of the ANU Climate Change Institute. I have published widely on copyright law and information technology, patent law and biotechnology, access to medicines, clean technologies, and traditional knowledge. My work is archived at *SSRN Abstracts* and *Bepress Selected Works*.

I am the author of *Digital Copyright and the Consumer Revolution: Hands off my iPod* (Edward Elgar, 2007). With a focus on recent US copyright law, the book charts the consumer rebellion against the *Sonny Bono Copyright Term Extension Act* 1998 (US) and the *Digital Millennium Copyright Act* 1998 (US). I explore the significance of key judicial rulings and consider legal controversies over new technologies, such as the iPod, TiVo, Sony Playstation II, Google Book Search, and peer-to-peer networks. The book also highlights cultural developments, such as the emergence of digital sampling and mash-ups, the construction of the BBC Creative Archive, and the evolution of the Creative Commons. I have also participated in a number of policy debates over Film Directors' copyright, the *Australia-United States Free Trade Agreement* 2004, the *Copyright Amendment Act* 2006 (Cth), the *Anti-Counterfeiting Trade Agreement* 2010, and the *Trans-Pacific Partnership*.

I am also the author of *Intellectual Property and Biotechnology: Biological Inventions* (Edward Elgar, 2008). This book documents and evaluates the dramatic expansion of intellectual property law to accommodate various forms of biotechnology from micro-organisms, plants, and animals to human genes and stem cells. It makes a unique theoretical contribution to the controversial public debate over the commercialisation of biological inventions. I edited the thematic issue of *Law in Context*, entitled *Patent Law and Biological Inventions* (Federation Press, 2006). I was also a chief investigator in an Australian Research Council Discovery Project, 'Gene Patents In Australia: Options For Reform' (2003-2005), and an Australian Research Council Linkage Grant, 'The Protection of Botanical Inventions (2003). I

am currently a chief investigator in an Australian Research Council Discovery Project, 'Promoting Plant Innovation in Australia' (2009-2011). I have participated in inquiries into plant breeders' rights, gene patents, and access to genetic resources.

I am a co-editor of a collection on access to medicines entitled *Incentives for Global Public Health: Patent Law and Access to Essential Medicines* (Cambridge University Press, 2010) with Professor Kim Rubenstein and Professor Thomas Pogge. The work considers the intersection between international law, public law, and intellectual property law, and highlights a number of new policy alternatives – such as medical innovation prizes, the Health Impact Fund, patent pools, open source drug discovery, and the philanthropic work of the (RED) Campaign, the Gates Foundation, and the Clinton Foundation. I am also a co-editor of *Intellectual Property and Emerging Technologies: The New Biology* (Edward Elgar, 2012), with Alison McLennan.

I am a researcher and commentator on the topic of intellectual property, public health, and tobacco control. I have undertaken research on trade mark law and the plain packaging of tobacco products, and given evidence to an Australian parliamentary inquiry on the topic.

I am the author of a monograph, *Intellectual Property and Climate Change: Inventing Clean Technologies* (Edward Elgar, September 2011). This book charts the patent landscapes and legal conflicts emerging in a range of fields of innovation – including renewable forms of energy, such as solar power, wind power, and geothermal energy; as well as biofuels, green chemistry, green vehicles, energy efficiency, and smart grids. As well as reviewing key international treaties, this book provides a detailed analysis of current trends in patent policy and administration in key nation states, and offers clear recommendations for law reform. It considers such options as technology transfer, compulsory licensing, public sector licensing, and patent pools; and analyses the development of Climate Innovation Centres, the Eco-Patent Commons, and environmental prizes, such as the L-Prize, the H-Prize, and the X-Prizes. I am currently working on a manuscript, looking at green branding, trade mark law, and environmental activism.

I also have a research interest in intellectual property and traditional knowledge. I have written about the misappropriation of Indigenous art, the right of resale, Indigenous performers' rights, authenticity marks, biopiracy, and population genetics.

EXECUTIVE SUMMARY

This submission draws upon a number of pieces of research on the copyright term and orphan works – including:

1. Matthew Rimmer, 'An Elegy for Greg Ham: Copyright Law, the Kookaburra Case, and Remix Culture' (2012), forthcoming.
2. Matthew Rimmer, 'Bloomsday: Copyright Estates and Cultural Festivals' (2005) 2 (3) *Scripted (University of Edinburgh)* 383-428, SSRN: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=759244
3. Matthew Rimmer, 'The Dead Poets Society: The Copyright Term And The Public Domain' (2003) 8 (6) *First Monday* URL: http://firstmonday.org/issues/issue8_6/rimmer/index.html
4. Matthew Rimmer, 'Shine: Copyright Law And Film' (2001) 12 (3) *Australian Intellectual Property Journal* 129-142, SSRN: http://papers.ssrn.com/sol3/papers.cfm?abstract_id=600841

This submission also draws upon a couple of conference papers:

5. Matthew Rimmer, 'Back to the Future: Copyright Law, the Internet Archive, and the Wayback Machine', National Library of Australia, 3 April 2008.
6. Matthew Rimmer, 'Finders Keepers: Copyright Law and Orphaned Works', Australian Digital Alliance and Copyright in Cultural Institutions, 22 May 2006.

This submission also draws upon a number of opinion-editorials, including:

7. Matthew Rimmer, 'Never Neverland: Peter Pan and Perpetual Copyright' (2004) 25 (12) *Incite* 8-9, <http://www.alia.org.au/publishing/incite/2004/12/copyright.html>

8. Matthew Rimmer, 'The Internet Archive: The Copyright Term and Orphaned Works' (2004) 25 (6) *Incite*, <http://www.alia.org.au/publishing/incite/2004/06/internet.archive.html>
9. Matthew Rimmer, 'Facing The Music: The Restoration Of Copyright' (2004) 25 (5) *Incite*, <http://alia.org.au/publishing/incite/2004/05/free.trade.html>
10. Matthew Rimmer, 'Gone With The Wind: Copyright Law and Fair Use' (2003) 24 (4) *Incite* 6, <http://www.alia.org.au/incite/2003/04/wind.gone.html>
11. Matthew Rimmer, 'Albert Namatjira: Copyright Estates and Traditional Knowledge' (2003) 24 (6) *Incite* 6, <http://www.alia.org.au/publishing/incite/2003/06/albert.namatjira.html>
12. Matthew Rimmer, 'Damned To Fame: The Moral Rights of the Beckett Estate' (2003) 24 (5) *Incite*, <http://www.alia.org.au/incite/2003/05/beckett.html>
13. Matthew Rimmer, 'Free Mickey: The Copyright Term and the Public Domain' (2003) 24 (3) *Incite* 12, <http://www.alia.org.au/incite/2003/03/mickey.html>

RECOMMENDATIONS

The Australian Law Reform Commission asks a number of questions in respect of copyright law and orphan works:

Question 23. How does the legal treatment of orphan works affect the use, access to and dissemination of copyright works in Australia?

Question 24. Should the *Copyright Act 1968* (Cth) be amended to create a new exception or collective licensing scheme for use of orphan works? How should such an exception or collective licensing scheme be framed?

In response, I would make the following recommendations on copyright term and copyright duration; old copyright works; orphan works; and copyfraud:

Recommendation 1

The Australian Government should withdraw from the *Australia-United States Free Trade Agreement 2004* in respect of its obligations on copyright term. Australia should return to a standard copyright term of life plus 50 years for traditional copyright works, and 50 years from publication for other subject matter.

Recommendation 2

The Australian Law Reform Commission and the Australian Government should revise the copyright term for unpublished works, so that it is limited and finite like other jurisdictions.

Recommendation 3

In light of the copyright term extension in Australia, the age of a copyright work should be a factor for consideration in determinations of copyright exceptions – such as the defence of fair dealing; the defence of

reasonableness for moral rights; and other exceptions, such as the library and archives exceptions, and miscellaneous provisions such as section 200AB of the *Copyright Act 1968* (Cth).

Recommendation 4

The Australian Law Reform Commission seems equivocal about the evidence for the existence of orphan works, noting: ‘Despite widespread acknowledgement that orphan works create significant copyright problems, there is a lack of comprehensive empirical evidence about the economic and social effects of orphan works, or the extent to which the inability to access such works impedes creative efforts. However, studies around the world point to a growing problem, at least in terms of the number of orphan works.’ Justice Breyer’s judgment in the 2012 Supreme Court of the United States case of *Golan v. Holder*¹ provides a lengthy discussion of the issue:

The statute creates administrative costs, such as the costs of determining whether a work is the subject of a "restored copyright," searching for a "restored copyright" holder, and negotiating a fee. Congress has tried to ease the administrative burden of contacting copyright holders and negotiating prices for those whom the statute calls "reliance part[ies]," namely those who previously had used such works when they were freely available in the public domain. § 104A(h)(4). But Congress has done nothing to ease the administrative burden of securing permission from copyright owners that is placed upon those who want to use a work that they did not previously use, and this is a particular problem when it comes to "orphan works"—older and more obscure works with minimal commercial value that have copyright owners who are difficult or impossible to track down. Unusually high administrative costs threaten to limit severely the distribution and use of those works—works which, despite their characteristic lack of economic value, can prove culturally invaluable.

There are millions of such works. For example, according to European Union figures, there are 13 million orphan books in the European Union (13% of the total number of books in-copyright there), 225,000 orphan films in European film archives, and 17 million orphan photographs in United Kingdom museums. A. Vuopala, Assessment of the Orphan works issue and Costs for Rights Clearance 19, 25 (2010), online at http://ec.europa.eu/information_society/activities/digital_libraries/doc/reports_orphan/anna_report.pdf (all Internet materials as visited Jan. 13, 2012, and available in Clerk of Court's case file). How is a

¹ *Golan v. Holder* (2012) <http://www.scotusblog.com/case-files/cases/golan-v-holder/>

university, a film collector, a musician, a database compiler, or a scholar now to obtain permission to use any such lesser known foreign work previously in the American public domain? Consider the questions that any such individual, group, or institution usually must answer: Is the work eligible for restoration under the statute? If so, who now holds the copyright—the author? an heir? a publisher? an association? a long-lost cousin? Whom must we contact? What is the address? Suppose no one answers? How do we conduct a negotiation? To find answers to these, and similar questions, costs money. The cost to the University of Michigan and the Institute of Museum and Library Services, for example, to determine the copyright status of books contained in the HathiTrust Digital Library that were published in the United States from 1923 to 1963 will exceed \$1 million. Brief for American Library Assn. et al. as *Amici Curiae* 15.

It is consequently not surprising to learn that the Los Angeles Public Library has been unable to make its collection of Mexican folk music publicly available because of problems locating copyright owners, that a Jewish cultural organization has abandoned similar efforts to make available Jewish cultural music and other materials, or that film preservers, museums, universities, scholars, database compilers, and others report that the administrative costs associated with trying to locate foreign copyright owners have forced them to curtail their cultural, scholarly, or other work-preserving efforts. See, e.g., Comments of the Library Copyright Alliance in Response to the U. S. Copyright Office's Inquiry on Orphan Works 5 (Mar. 25, 2005), online at <http://www.arl.org/bm~doc/lcacomment0305.pdf>; Comments of Creative Commons and Save The Music in Response to the U. S. Copyright Office's Inquiry on Orphan Works (Mar. 25, 2005), online at <http://www.copyright.gov/orphan/comments/OW0643-STM-CreativeCommons.pdf>; General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions, Joint Hearing before the Subcommittee on Intellectual Property and Judicial Administration of the House Committee on the Judiciary and the Subcommittee on Patents, Copyrights and Trademarks of the Senate Committee on the Judiciary, 103d Cong., 2d Sess., 131, 273 (1994) (hereinafter Joint Hearing) (statement of Larry Urbanski, Chairman of the Fairness in Copyright Coalition and President of Moviecraft, Inc.); Brief for American Library Assn. et al. as *Amici Curiae* 6-23; Brief for Creative Commons Corp. as *Amicus Curiae* 7-8; Brief for Project Petrucci, LLC, as *Amicus Curiae* 10-11.

These high administrative costs can prove counterproductive in another way. They will tempt some potential users to "steal" or "pirate" works rather than do without. And piracy often begets piracy, breeding the destructive habit of taking copyrighted works without paying for them, even where payment is possible.

This judgment highlights that the problem of orphan works is a major and significant one - requiring a legislative solution.

Recommendation 5

The flexible dealing provision in section 200AB of the *Copyright Act 1968* (Cth) could conceivably be used by libraries, archives, and educational institutions to provide access to orphan works. However, this provision suffers from a number of limitations. The provision is not available generally by copyright owners. The provision requires complex considerations about international copyright law jurisprudence upon the 3-step test. The provision appears to be a defence of last resort.

Recommendation 6

The Australian Law Reform Commission and the Australian Government should introduce a defence of fair use – which applies to orphan works. In this regard, the 2012 decision in *The Authors Guild Inc. v. HathiTrust* provides some useful guidance.²

² The recent ruling in *The Authors Guild Inc. v. HathiTrust* 2012 WL 4808939 SDNY (2012) is pertinent. The HathiTrust was able to raise the defence of fair use in the context of its Orphan Works Project. The judge held: ‘The totality of the fair-use factors suggest that copyright law’s “goal of promoting the Progress of Science ... would be better served by allowing the use than by preventing it.” *Bill Graham*, 448 F.3d at 608. The enhanced search capabilities that reveal no in-copyright material, the protection of Defendants’ fragile books, and, perhaps most importantly, the unprecedented ability of print-disabled individuals to have an equal opportunity to compete with their sighted peers in the ways imagined by the ADA protect the copies made by Defendants as fair use to the extent that Plaintiffs have established a *prima facie* case of infringement’

Recommendation 7

The Australian Law Reform Commission and the Australian Government should not introduce a limited safe harbor – such as that proposed under *Shawn Bentley Orphan Works Act of 2008 (US)*.³

Recommendation 8

The Australian Law Reform Commission and the Australian Government could consider a Canadian style Copyright Board licence.⁴ The problem with that approach has been that the Copyright Board licence has only applied in relation to a small subset of the larger body of orphan works.

Recommendation 9

The European Union Orphan Works Directive⁵ is limited in its operation and is not a good model to emulate.

³ *Shawn Bentley Orphan Works Act of 2008 (US)* HR 5889 (110th) and S. 2913 (110th). In October 2012, the United States Copyright Office has announced a new review into copyright law, orphan works, and mass digitization: <https://www.federalregister.gov/articles/2012/10/22/2012-25932/orphan-works-and-mass-digitization> See also Public Knowledge, ‘Orphan Works’, <http://publicknowledge.org/issues/ow>

⁴ Copyright Board of Canada, ‘Unlocatable Copyright Owners’, <http://www.cb-cda.gc.ca/unlocatable-introuvables/index-e.html>; and Jeremy de Beer and Mario Bouchard, ‘Canada’s “Orphan Works” Regime: Unlocatable Owners and the Copyright Board’, (2010) 10 (2) *Oxford University Commonwealth Law Journal* 215-254.

⁵ *Directive of the European Parliament and of the Council on Certain Permitted Uses of Orphan Works*, 2011/0136 (COD) PE-CONS 26/12, 20 September 2012, http://ec.europa.eu/internal_market/copyright/orphan_works/index_en.htm

Recommendation 10

In order to address the problem of long copyright and orphan works, the Australian Law Reform Commission and the Australian Government should consider formal registration of copyright works, 50 years after publication. A model would be the *Public Domain Enhancement Act 2003 and 2005 (US)*, which was proposed in the United States. However, such a regime goes against the grain of the removal of formalities under copyright law.

Recommendation 11

Australia should not introduce statutory licensing managed by copyright collecting societies in respect of orphan works (the so-called Scandinavian model).⁶

Recommendation 12

In recent years, private settlements – such as that proposed settlements between Google, authors, and publishers in respect of Google Book Search – have been proposed to provide access to orphan works. Private settlements are limited by their nature to the parties to disputes. Private settlements are no substitute for copyright law reform.

⁶ For a summary, see Johan Axhamn and Lucie Guibault, *Cross-Border Extended Collective Licensing: A Solution to Online Dissemination of Europe's Cultural Heritage?*, Amsterdam: EuropeanaConnect, August 2011, 25–59, http://www.ivir.nl/publicaties/guibault/ECL_Europeana_final_report092011.pdf

Recommendation 13

A particular problem warranting sanction is the problem of ‘copyfraud’ – where copyright ownership is claimed over works in the public domain (for reasons such as the expiry of the copyright term). In his work, *Copyfraud and other Abuses of Intellectual Property Law*, Jason Mazzone details the problem of ‘copyfraud’:

Copyfraud is therefore the term I use to refer to the act of falsely claiming a copyright in a public domain work. In the typology I use... to classify forms of overreaching, copyfraud entails a false claim to intellectual property where none exists. Copyfraud has serious consequences. In addition to enriching publishing who assert false copyright claims at the expense of legitimate users, copyfraud stifles valid forms of reproduction and creativity and undermines free speech. False copyright claims, which are often accompanied by the threat of litigation for reproduction of a work without the putative owner’s permission, result in users seeking licences and paying fees to reproduce works that are free for everyone to use, or altering their creative projects to excise the uncopyrighted material. Copyfraud also fosters misunderstanding concerning the scope of intellectual property, which further emboldens publishers and other content providers to claim rights beyond those they actually possess.⁷

Mazzone complains: ‘Facing no threat of civil action under the Copyright Act for copyfraud, and little risk of criminal penalty, publishers and other content providers are free to put copyright notices on everything and to assert the strongest possible claims to ownership.’⁸ Australian copyright law would benefit from remedies in respect of copyfraud.

⁷ Jason Mazzone, *Copyfraud and other Abuses of Intellectual Property Law*, Stanford: Stanford University Press, 2011, 2-3.

⁸ *Ibid*, 8.