



May 6, 2005

Jule L. Sigall  
Associate Register for Policy  
& International Affairs  
U.S. Copyright Office  
Copyright GC/I&R  
P.O. Box 70400  
Southwest Station  
Washington, D.C. 20024

**RE: Joint Reply Comments Concerning “Orphan Works”**

Pursuant to the Notice of Inquiry published by the Copyright Office in the Federal Register of January 26, 2005 (p. 3739-3743), the Association of American Publishers, the Association of American University Presses, and the Software & Information Industry Association (hereinafter collectively referred to as “the Joint Reply Commenters”) jointly submit these Reply Comments on behalf of themselves and their members regarding the Copyright Office’s examination of “orphan works” issues.

**Introduction**

Based on our review of the many Comments filed in initial response to the Notice of Inquiry, it is clear that a diverse group of stakeholders have an equally diverse range of ideas regarding how the uncertain status of “orphan works” may be addressed so that users of such works will not be needlessly discouraged from incorporating them in new creative efforts or making them available to the public. Although the Joint Reply Commenters have made an effort to assess the merits of each submitted proposal concerning the designation and use of “orphan works,” we believe it is neither necessary nor appropriate for us to attempt to respond to all of them in this submission.

In order to make our Joint Reply Comments as useful as possible to the Copyright Office, we have tried to focus them on issues that are relevant to refining and possibly creating consensus around the basic elements and overall approach of the proposal contained in our own jointly submitted Comments ([OW0605-AAP-AAUP-SIIA](#)). Thus, we have refrained from responding to submitted Comments that propose to deal with “orphan works” in ways that seem excessively complex, discriminatory, costly or bureaucratic (e.g., [OW0597-CPD2](#); [OW0643-STM-](#)

[CreativeCommons](#)) and thus appear to be wholly inconsistent with our goal of developing a relatively simple, uniform, cost-effective and self-executing way to address the problem.

The Copyright Clearance Initiative (“CCI”) proposed by the Glushko-Samuelson Intellectual Property Clinic of the Washington College of Law at American University ([OW0595-Glushko-Samuelson](#)) warrants prominent discussion in our Joint Reply Comments insofar as it appears to be (with a few key exceptions) generally in accord with the overall approach to “orphan works” that was proposed in our own Joint Comments, and appears at least initially to have garnered the broadest support among all proposals submitted during the Comment stage of this proceeding (i.e., [OW0641-ACLS](#); [OW0665-ARLIS-NA](#); [OW0653-AAU](#); [OW0647-CAA](#); [OW0658-LCA](#); [OW0634-HRRC-CEA](#); [OW0584-NHA](#); [OW0655-NetCoalition](#); [OW0594-Albrecht](#); [OW0676-AHA](#); [OW0610-ArtMuseums](#) [in part]; [OW0629-PublicKnowledge](#) [in substantial part]).

### **Comparing the CCI and AAP-AAU-SIIA Proposals to Address “Orphan Works”**

The core issue presented by the Copyright Office’s Notice of Inquiry is how should U.S. law permit a user of a work protected by copyright to engage in a proposed use of the work that implicates the exclusive rights of the copyright owner when such use would not be authorized by any of the statutory limitations or exceptions applicable to such rights, and the user cannot identify and locate the copyright owner for purposes of obtaining permission for such use.

In their respective approaches to this problem, the CCI proposal and the proposal submitted in our Joint Comments seem to be nearly congruent in sharing the following key premises:

- Both take a “minimalist” approach that is intended to require the fewest possible changes to current U.S. copyright law, no impact on U.S. obligations under international copyright agreements, and the least possible bureaucratic impact on governmental entities and on owners and users of copyrighted works.
- Both would permit all kinds of copyrighted works, including unpublished as well as published works, regardless of their age or national origin, to be considered for treatment as an “orphan work” under the same standard.
- Both would permit use of an “orphan work” without discrimination regarding the type of use or the status of the user (e.g., for-profit or not-for-profit) after the would-be user has made a reasonable but unsuccessful search to identify and locate the copyright owner for permission.
- Both would urge that the standard for what constitutes a “reasonable search” should be flexible, and statutorily-defined only in general terms that make the determination of reasonableness depend on the facts and circumstances surrounding the efforts in each instance.
- Neither would require the user of an “orphan work” to file a search report or a notice of intent-to-use the “orphan work.”
- Both would provide that, if the copyright owner of the “orphan work” should come forward after the post-search use of the work has been commenced by the now-

“qualified” user, the emergent copyright owner should be able to claim payment for the use but should be entitled only to a limited remedy that does not include the statutory damages or injunctive relief ordinarily available for copyright infringement.

- Both would provide that, once the copyright owner of the “orphan work” has come forward and challenged the post-search use of the work by the “qualified” user, new uses of the work by that user would require affirmative authorization but ongoing uses previously commenced could continue without such authorization.
- Both would provide that there should be an independent advance duty to conduct a “reasonable search” in connection with each distinct use of an “orphan work” that implicates the rights of the copyright owner.
- Both would reject the Canadian approach to “orphan works” – with its governmental administrative requirements, up-front license and payment requirements, and inapplicability to unpublished works – as inadequate to serve as a model for U.S. law.

The differences between the two proposals do not appear to reflect major differences of perspective in terms of the competing interests of owners and users of copyrighted works. With the possible exception of their respective approaches to what kind of payment an emergent copyright owner may collect from a “qualified” user, none of the differences appears to be irreconcilable.

The Joint Reply Commenters offer the following observations regarding the differences we see between the approach set forth in our Joint Comments and the approach in the CCI proposal, as we understand it:

Reasonable Search Issues – The Joint Reply Commenters agree with the proponents of the CCI approach that a legislative solution to encourage the use of “orphan works” should place the affirmative responsibility for due diligence “squarely on the user” by requiring the user to conduct a reasonable efforts search to obtain permission from the copyright owner before using the “orphan work.” However, the CCI proposal may go too far in this respect in requiring the would-be user to “retain detailed documentation of his or her search” in order to have his or her use qualify for “orphan work” treatment; conversely, it does not go far enough in its allocation of the burden of proof regarding satisfaction of the “reasonable search” standard.

While it is certainly appropriate to require that a would-be “orphan work” user should be able to document the steps that were taken in a reasonable search to obtain permission from the copyright owner prior to use of the work, it would be unwise and unfair to impose specific requirements for “retention” of “detailed documentation” of the efforts undertaken in that search if this would mean that the failure to satisfy such requirements in any respect, even years after the use of the work, could potentially subject the user of an “orphan work” to full infringement liability for that use. Would-be “orphan work” users should certainly be advised that they may have to provide documentation of their reasonable search efforts if the copyright owner should emerge after use of the “orphan work” has commenced subsequent to such a search. However, recognizing that under both proposals a court would have to determine whether the search efforts in a given instance had met the statutory “reasonableness” standard, it seems unnecessary to specifically require retention. In any case, any statutory requirements regarding retention of

search documentation should be flexible and generally-stated; if any specific requirements for documentation or retention are imposed, perhaps there should be a reasonable limitation on the time period for required retention.

Regarding the burden of proof in litigation, the CCI proposal would give the user the “initial burden of proving the efforts that he or she made to locate the owner prior to commencing use,” but then would shift the burden to the copyright owner “to prove that, under all the facts and circumstances, those efforts were not ‘reasonable.’” This formulation would split the burden of proof into its factual and legal components and, by imposing the latter duty on the copyright owner, would be tantamount to creating a rebuttable legal presumption that the statutory standard has been satisfied once the user has shown that certain search efforts actually had been made. This is inconsistent with the notion of placing the affirmative responsibility for due diligence “squarely on the user.” The user should not only have the burden of proving the efforts made to locate the owner prior to commencing use, but should also have the burden of proving that, under all the facts and circumstances, those efforts satisfied the statutory “reasonable search” requirement.

The CCI proposal and the approach put forth in our Joint Comments also differ somewhat on a third issue concerning “reasonable search” requirements. The CCI approach posits that every potential user of an “orphan work” would have “an independent duty” to satisfy himself or herself that reasonable efforts to locate the owner of the work have been made, but that a subsequent user who “was aware of a previous use” of the same “orphan work” could determine whether any further search effort would be necessary to satisfy the “reasonableness” standard based upon what he or she was able to learn about the efforts in the failed search conducted by the prior user.

In discussing the subsequent user’s awareness of a previous use of an “orphan work,” the CCI proposal does not appear to suggest that a potential user has an affirmative duty to determine whether there have been any prior users. Such an affirmative duty, in any event, would be difficult, if not impossible, to fulfill in the absence of a requirement for a would-be user to file a report on his or her search efforts – a requirement that is rejected by both the CCI proposal and the approach urged by the Joint Reply Commenters.

However, the CCI proposal could risk allowing (and even encouraging) a subsequent user to rely on the unverified and unadjudicated claimed search efforts of a prior user; or, in order to avoid that problem, it could create pressure to establish formal documentation and retention requirements. Notwithstanding its apparent intent, this formulation of an “independent duty” with respect to conducting a reasonable search could actually lead to an opposite result in which subsequent users, as a matter of practice, do not make any independent effort to find the copyright owner *other than* to determine whether previous search efforts were made by a prior user. In turn, this situation could have the unfortunate effect of perpetuating the mistaken notion that “orphan work” is a designation which, once applied, adheres to the work in question and creates a status for that work that governs all of its future uses by all users, instead of reflecting the more accurate and appropriate notion that the designation applies to the work only in connection with a particular use by a particular user or users.

The Joint Reply Commenters do not suggest that a subsequent would-be user could never reasonably rely on the search efforts of a prior “qualified” user that were reasonably proximate in

time to his or her own preparations to undertake a search for the copyright owner. We are only urging that any discussion of this issue should avoid conveying the idea that a subsequent would-be user can satisfy his or her own reasonable search obligation simply by reference to the previous search efforts of a prior user.

Rather than risk undesirable results, the law should make clear that the “independent duty” regarding a reasonable search for the copyright owner prior to using an “orphan work” attaches to each use of the work, rather than to each user. The “ongoing use” and “successor-in-interest” concepts put forth, respectively, in the CCI proposal and in the approach urged in our Joint Comments should ensure that each user who qualifies to use an “orphan work,” based on conducting a reasonable but failed search for the copyright owner, as well as that user’s licensees, will not be unfairly burdened by excessive search requirements. The same is true for the general notion that a single use of an “orphan work” can involve multiple users.

This formulation of the “independent duty” to conduct such a search would ensure that a reasonable legal process established to provide for the use of “orphan works” without undue risks of infringement liability will not degenerate into a means by which such works are treated, in common practice, as though they were no longer subject to copyright protection.

Two other issues regarding “reasonable search” requirements warrant brief discussion. The CCI proposal regarding general statutory language relating to the “reasonable efforts search” urges that what constitutes a reasonable effort should be addressed “only in general terms, since specific instances will depend on the type of work involved, *the nature and resources of the user*, and other surrounding circumstances.” (emphasis added) The Joint Reply Commenters agree with this reasoning, provided that the highlighted language is not intended to mean that the statutory provisions should employ any categorical distinctions in applicable “reasonable search” requirements for different types of users or uses (based, *e.g.*, on whether they are for-profit or not-for-profit). A standard of “reasonableness, in the totality of the circumstances” should mean just that.

The CCI proposal also suggests that the determination and conduct of a “reasonable efforts search” could be advanced by “statements of ‘best practices’ developed by professional organizations in various relevant disciplines,” as well as by “associations representing creators” devising and making available “Internet-based tools by which their members could publicize their identities, their current contact information, and the bodies of work over which they claim copyright.” While these suggestions do not appear to be inconsistent with the approach put forth in our Joint Comments, we take no position on their merits pending further consideration of what such efforts would entail and how workable the results might be in practice. In the meantime, we agree with the more preliminary suggestion in some Comments (*e.g.*, [OW0646-MPAA](#); [OW0687-RIAA](#)) that roundtables of interested parties might be convened, perhaps on a sector-by-sector basis, to survey the available resources for such searches and to consider the possibility of working toward commonly-accepted “due diligence” standards.

Designation and Attribution – The CCI proposal would require that, in order to maintain the status of a “qualified” user, a person who uses an “orphan work” after conducting a reasonable efforts search must “indicate” their status in such use and provide “summary attribution information, to the extent known, consistent with applicable professional standards for crediting sources.” In addition, if the copyright owner comes forward, the “qualified” user would be

required to “take reasonable steps to update” the attribution information associated with its use of the work.

Insofar as there is no general requirement in U.S. copyright law for the user of a copyrighted work to have to publicly indicate its basis for using the work (*i.e.*, whether the use is based on an exclusive or non-exclusive license, or an exemption or other statutory limitation on the rights of the copyright owner), it is unclear why the “qualified” user of an “orphan work” should be required to do so in that instance. Without the promulgation of a specific form for indicating “orphan work” usage, it is possible that such a designation requirement could be misleading, rather than informative. However, the imposition of such specific requirements, as previously noted, would be inconsistent with the minimalist approach and desire for flexibility urged by the CCI proponents and the Joint Reply Commenters.

Similarly, while it may be appropriate to require attribution information where the copyright owner is known, it is unclear whether a “to the extent known” standard that is not tied to a reasonable degree of certainty will prove to be more misleading than helpful in practical use. Moreover, the notion of requiring attribution to be made “consistent with applicable professional standards for crediting sources,” particularly when coupled with the requirement that the “qualified” user “would always be responsible for providing as complete an attribution of the work as was practically possible at the time,” would appear to add a matter of formality that could prove daunting and ultimately discouraging to many would-be users. If any attribution requirement is to be included in an “orphan works” statutory scheme, the Joint Reply Commenters would urge that it should be limited to a good-faith effort to include such information about ownership as is known by the user with reasonable certainty and appropriate to the type of work in which the “orphan work” was used.

Limitations on Remedies – Undoubtedly, the single issue on which the approaches put forth by the Joint Reply Commenters and in the CCI proposal most significantly differ is the basis on which an emergent copyright owner can claim payment for use of an “orphan work” by a “qualified” user. While our Joint Comments urged that the copyright owner should be entitled to a “reasonable licensing fee or royalty (as determined by reference to market practices),” this approach was explicitly rejected by the CCI proponents in favor of limiting the copyright owner’s payment to the lesser of actual damages or an award of \$100 per work used, up to a maximum of \$500 for any group of works claimed by a single owner and subject to a single use.

As we understand the reasoning of the CCI proponents, their opposition to the approach urged by the Joint Reply Commenters is based on the claims that there is “no reliable standard by which one can predict” what a court might think is a reasonable license fee for the unauthorized use of an “orphan work,” and that this alleged vacuum will discourage use of such works by introducing “an unpredictable element into the mix, subjecting even the most conscientious qualified users... to uncertain future liability.” We respectfully disagree with these claims, and the proponents’ conclusion that “this outcome is clearly unacceptable” given the objective of encouraging the use of “orphan works.”

As even the CCI proponents will likely agree, it can reasonably be expected that the issue of copyright infringement remedies will not arise in the vast majority of uses of an “orphan work” by a “qualified” user under a properly-crafted statutory scheme. This expectation is inherent in the very concept of an “orphan work” and can be confidently predicted if the “reasonable efforts

search” requirements advocated by both CCI proponents and the Joint Reply Commenters are implemented in good faith by would-be users of such works.

In the relatively few cases where the matter is likely to arise, the claim that there is “no reliable standard” by which one can predict a court’s calculations, as well as the fear that such calculations would be “fraught with difficulties” based on the variety and nature of the factors to be considered, are overblown. The issue of compensation, in the first instance, would be between the copyright owner and the “qualified” user; a court asked to resolve the dispute where those parties could not reach agreement would look to evidence of industry and market practices in seeking to determine the amount that a willing customer would agree to pay a willing vendor at that time in the relevant market for the rights at issue. While there are, concededly, numerous factors to be considered in making such a determination, the courts are not strangers to the task of considering them, and there are ample extant judicial precedents that explain exactly how the courts undertake the relevant analyses. Such fees certainly can be predictable within a reasonable range set by actual market practices.

We agree that a statutory scheme to promote use of “orphan works” should encourage use by minimizing uncertainty concerning the potential liability that users of such works may risk in the event that the copyright owner should come forward after the use has commenced. However, the goal of minimizing such uncertainty for the user should not be achieved in a manner that risks manifest unfairness to the copyright owner, especially when the risk to the user posed by the copyright owner coming forward to establish infringement liability under such a scheme is properly discounted by its likelihood of occurrence.

The \$100/500 caps on damages that the CCI proposal would establish are wholly arbitrary, and would be inadequate to the task of equitably addressing the kinds of situations that can be expected to arise in today’s market. Indeed, the unfairness of such limitations to the copyright owner can be readily understood if one considers how little incentive they would give a copyright owner to pursue judicial redress in the case of a “qualified” user who has simply refused to pay even these trivial amounts. By setting the caps so low, this approach would encourage a user to refuse to make any payment to the copyright owner because the user and the copyright owner would both know that the costs of pursuing an award of damages in court would greatly exceed the amount of the damages that could be awarded by the court. This problem is exacerbated by the CCI proposal’s categorical exclusion of the availability of an award of attorney’s fees against a “qualified” user, and explains why our Joint Comments expressly urged that there should be an exception to the general unavailability of attorney’s fees and court costs “if and to the extent that the court finds such fees and costs are incurred as a result of bad faith or other unreasonable behavior on the part of the user” after the copyright owner has come forward and made a claim for payment.

The capped damages approach urged in the CCI proposal would fail to equitably address the fact that certain uses of certain types of works have a much greater market value than other uses of other types of works. It would, for example, require the same payment for use of a single photograph in a newly-published book as for re-distributing an entire “orphan” motion picture for theatrical release. The proposal would also fail to equitably address situations where the use of the “orphan work” by the “qualified” user has effectively precluded the copyright owner from making the most profitable use of the work in today’s market.

While the “reasonable licensing fee or royalty” approach is clearly not as certain as the capped damages approach, it is clearly more fair because it is more flexible. In addressing the issue of what compensation may be claimed by the copyright owner who comes forward after a “qualified” user has commenced use of the copyrighted work, a statutory scheme to promote the use of “orphan works” should utilize a damages standard that is fair, even if not precisely determinable in advance, rather than one that is certain but unfair.

As consideration of an appropriate statutory scheme for “orphan works” continues, it could be the case that this issue cannot be fully and fairly addressed by choosing to adopt one of these approaches to the exclusion of the other. It could, for example, prove beneficial to consider the possibility that a general standard which makes a “reasonable licensing fee or royalty” available to the emergent copyright owner might, in some cases, be subject to a “capped damages” limitation in connection with certain uses and types of “orphan works.” The Joint Reply Commenters would certainly be willing to explore that possibility so that both fairness and certainty can be built into the statutory model.

### **Issues Raised By Other Submitted Comments**

Definition of “Orphan Work” – Many of the Comments submitted in response to the Notice of Inquiry contained different views regarding the nature of “orphan works” and how this should be reflected in a statutory definition of the term.

The Joint Reply Commenters did not find persuasive the reasoning of those Comments that urged exclusion of “unpublished works” (e.g., [OW0519-Goldstein-Ginsburg](#)) and “foreign works” (e.g., [OW0646-MPAA](#); [OW0687-RIAA](#)) from eligibility for “orphan works” treatment. To the extent that their arguments are based on considerations of personal privacy or some other public policy based outside copyright law, we are unconvinced that the public interest in promoting the use of “orphan works” should be restricted by such policies in ways that do not generally apply to restrict the use of copyrighted works. To the extent that their arguments are based on the difficulties of determining the publication or copyright status of a work, it seems clear that attempting to exclude such works from treatment as “orphan works” on that basis will not solve the problem, but simply create different levels of uncertainty regarding their treatment.

It should be recognized that the vast majority of works entitled to copyright protection are likely to be “unpublished works” whose authors did not introduce them into the market simply because they were created for private uses that involved little or no thought to their status as copyrighted works. But, given the important public interest in some of this material as the fodder for histories, biographies, textbooks, anthologies, and virtually all other genres of literary works, we see no persuasive reason for categorically excluding them from eligibility for “orphan works” treatment.

Similarly, we are not convinced by arguments to exclude “foreign works” based on difficulties in tracing their provenance or in determining their copyright status with certainty. Difficulties in tracing provenance are, after all, at the heart of the “orphan works” issue; the difficulties in connection with foreign works are likely to be those of degree more than kind, and do not warrant their categorical exclusion from eligibility for “orphan works” treatment. As for the copyright status of foreign works, we have seen no explanation for why this problem would be



substantially different in the context of “orphan works” treatment than it would be for any other use of such works that would have legal implications for the owner and user.

Some Comments urged that copyright law should similarly provide special treatment for use of works that are “out-of-print” (e.g., [OW0457-StanfordUniversity](#); [OW0643-STM-CreativeCommons](#); [OW0669-FMC-AFTRA-AFM](#)) and “works made for hire” (e.g., [OW0547-GAG](#); [OW0621-DGA](#)). The Joint Reply Commenters reject these arguments. The “out-of-print” status of a work does not make it any less subject to copyright protection, and in the new era of print-on-demand digital technologies, the declaration that a work is “out-of-print” may be rapidly losing any practical meaning. As for “works made for hire,” we see no justification for such works to be treated differently from other copyrighted works insofar as a copyright owner either can or cannot be located for purposes of obtaining permission to use the work.

Still other Comments proposed to shape eligibility for “orphan works” treatment based on considerations such as where the copyright owner “is unlikely to have a continuing commercial interest in the work” (e.g., [OW0639-Verba](#)) or “does not provide reasonable means of obtaining permission and has not taken steps to exploit the commercial value of the work” (e.g., [OW0625-JHU](#)), or where a work has “indeterminate copyright status” due to a lack of clarity in applicable law (e.g., [OW0630-LOC](#)). The Joint Reply Commenters do not consider any of these asserted reasons to be a justifiable basis for subjecting a work to “orphan works” treatment or similar special treatment under copyright law.

Reasonable Search Requirements – Other Comments suggested that certain entities should be permitted to engage in “bulk or mass clearance” of works under “orphan works” treatment (e.g., [OW0610-ArtMuseums](#); [OW0657-InternetArchive](#)), or that only limited “due diligence” should be required in searches conducted by libraries and other special users (e.g., [OW0457-StanfordUniversity](#); [OW0625-JHU](#); [OW0680-JSTOR](#)). These proposals call for unjustified discriminatory treatment, and are inconsistent with the Joint Reply Commenters support for making the treatment of “orphan works” as uniform and equitable as possible, regardless of the nature of the work, the status or identity of the user, or the particular use to which the work will be put.

Use of an “Orphan Work” – Similarly, other Comments (e.g., [OW0610-ArtMuseums](#)) urged limitations on the kinds of uses that might be made of an “orphan work” (e.g., only by not-for-profit entities; only for non-commercial, non-infringing purposes). These proposals also call for unjustified discriminatory treatment among users or uses that are inconsistent with the Joint Reply Commenters support for making the treatment of “orphan works” as uniform and equitable as possible, regardless of the nature of the work, the status or identity of the user, or the particular use to which the work will be put.

## **Conclusion**

Both as copyright owners and users of the copyrighted works of others, the Joint Reply Commenters look forward to our continued participation in the Copyright Office’s efforts to develop a fair and workable approach to the “orphan works” problem. We are, of course, willing and available to answer any questions that the Copyright Office may have concerning the Joint Comments and Joint Reply Comments that we have submitted, and would appreciatively request

the opportunity to participate in any hearings, roundtable discussions, or other further processes that the Copyright Office may deem warranted in pursuit of its objective.

Respectfully Submitted,

Allan Adler  
Vice President for Legal & Government Affairs  
Association of American Publishers  
50 F Street, NW  
4<sup>th</sup> Floor  
Washington, D.C. 20001-1530  
Phone: 202/220-4544  
Fax: 202/347-3690  
Email:

Peter Givler  
Executive Director  
Association of American  
University Presses  
71 W.23<sup>rd</sup> Street, Room 901  
New York, NY 10010  
Phone: 212/989-1010  
Fax: 212/989-0275  
Email:

Keith Kupferschmid  
Vice President, Intellectual Property  
Policy & Enforcement  
Software & Information Industry Association  
1090 Vermont Avenue, NW  
6<sup>th</sup> Floor  
Washington, D.C. 20005  
Phone: 202/789-4442  
Fax: 202/289-7097  
Email: