

Intellectual Property: Fair Use, Public Domain, Orphan Works, and Digitization

Presented at

Grey Literature and Information Rights 2013

Nieuwegein, Netherlands, November 14, 2013

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Some Ground Rules!

- Anything said here is not to be taken as legal advice, if you have a legal issue, please consult appropriate counsel.
- In return, it is assumed that all questions posed are hypothetical and reflect only the musings of an informed and curious mind and not the actual problem you might have.

Is Grey Lit “Published”?

- Publication is defined as the “distribution of copies or phonorecords of a work to the public by sale other transfer of ownership, or by rental, lease, or lending.”
- Examples: 1. The distribution of copies on a *busy street* is **publication**. 2. The *unrestricted gift* of copies constitutes **publication**. 3. Leaving *copies in a public place for anyone to take* is **publication**. 4. Distributing *text at a seminar* for use *only by the recipients* is ordinarily **not publication**. Compendium II, Copyright Office Practices § 905.02 (1984).
 - *Estate of Martin Luther King, Jr. v. CBS, Inc.*, 194 F.3d 1121 (11th 1999) (“I Have a Dream” speech heard and broadcast was not a publication.)
 - *Getaped.com v. Cangemi*, 188 F.Supp.2d 398 (S.D.N.Y. 2002) (website revised in June, infringement in July, registration in August, litigation follows): “Thus, when a webpage goes live on the Internet, it is distributed and ‘published’ in the same way the music files in *Napster* or the photographs in the various *Playboy* decisions were distributed and ‘published.’” Id. at 402.
- **Impact: Internet postings can be a publication, conference proceedings may be a publication (context matters).**

Is Grey Lit “Copyrightable”?

- **Non-Copyrightable works:** facts, names and titles, scenes a faire, basic forms, etc.
- Works that have **fallen** into the **public domain**:
 - Failed to comply with technical requirements of registration or renewal, when those requirements mattered or works for which the copyright has expired. But see, 17 U.S.C. § 104A, restoration of copyright for selected foreign published works.
- Works *designated in the public domain*: 17 U.S.C. § 105 (“Copyright protection under this title is not available for any work of the United States Government.”).
- Fair use: works of *factual nature* represent “thin” copyright (second prong: nature of the work).
- If the work is not under copyright then **DRM** (digital rights management) protection rules do not apply.

Distribution of Digital Content

- *Capital Records, LLC v. ReDIGI Inc.*, 2013 WL 1286134 (S.D.N.Y.) (“selling” of files previously obtained from iTunes).
- “It is simply impossible that the same ‘material object’ can be transferred over the Internet. “Thus, logically, that court in London-Sire [*Records, Inc. v. John Doe 1*, 542 F.Supp2d 153 (D. Mass. 2008)] noted that the Internet transfer of a file results in a material object being ‘created elsewhere at its finish.’” *Id.* at *5.
- The right of users to distribute works protected by copyright may be in the online context. However, such transfers could rely on a licensing schema.

The First Sale Doctrine

- **Question:** “The novel question presented in this action is whether a digital music file, lawfully made and purchased, maybe resold by its owner through ReDigi under the first sale doctrine. The Court determines that it cannot.” Id at *5.
- The transfer of iTunes files results not in a mere distribution, but a reproduction that is not lawfully made: “Put another way the **first sale defense** is **limited** to *material items*, like records, that the copyright owner can put in the stream of commerce.” Id. at *10 (emphasis added).
- The court did not discuss the iTunes license provision limiting use to a particular user.

The First Sale Doctrine

- “Section 109(a) still protects a lawful owner’s sale of her ‘particular’ phonorecord, be it a computer *hard disk*, *iPod*, or other *memory device* onto which the file was originally downloaded.” Id. at *11 (emphasis added).
- But what if the transfer did not result in a copy being made on the ReDigi’s server? Could there be a way to transfer ownership of the original lawfully made digital phonorecord without making a copy of it?
- ReDigi now eliminates the reproduction of the iTunes file on its server. Different result?: “ReDigi version 2.0 allows a user’s new iTunes purchases to upload from iTunes directly to the Cloud Locker.” Id. at *15, n.3.

The First Sale Doctrine

- In a “ReDigi 2.0, 3.0, or 4.0” (Id. at *14), as the court observes, a copy is still made. Unless the original file is cloud-based and all the user sells is his/her access?
- Changes in the law rest with Congress: “fundamental clash over culture, policy, and copyright.” Id. at *1.
- The court did not discuss the facts in the context of contract law. Does this imply the court views the transaction as a sale and not a license?
- iTunes: “USAGE RULES. (i) You shall be authorized to use iTunes Products only for *personal*, noncommercial *use*.”
- Kindle: “*display* such Digital Content ... *solely on the Kindle* ... *solely for your personal*, non-commercial use.”

Use Restrictions in Licenses

- Kindle License Agreement and Terms of Use: “Digital Content. Use of Digital Content. Upon your download of Digital Content and payment of any applicable fees (including applicable taxes), the Content Provider grants you a non-exclusive right to view, use, and *display such Digital Content* an unlimited number of times, *solely on the Kindle or a Reading Application or as otherwise permitted as part of the Service*, solely on the number of Kindles or Other Devices specified in the Kindle Store, and *solely for your personal, non-commercial use.*”
- iTunes: “USAGE RULES. (i) You shall be authorized to use iTunes Products only for *personal*, noncommercial *use.*”

Digitization in Libraries and Archives

- Qualifying library and archive requirements: open to the public, no direct or indirect commercial advantage, and notice or legend.
- **Three copy rule**, including a digital copy:
 - Unpublished works: *preservation and security* in your library or for research use in another 108(a) library, and material is currently in the library collection, but not to borrow and copy, 108(b).
 - Published works: *damaged, deteriorating, lost, or stolen, or existing format is obsolete*, and no unused replacement available at a fair price, 108(c). Example: VHS ►►► VHS.
 - Digital copy not made available to the public outside premises of the library, legislative history. Example: VHS ►►► DVD, allowed but cannot circulate off-premises, in-house use only.

Digitization in Libraries and Archives

- **Single copy rule:** article or small part [108(d)] or entire or substantial part (if no available copy at a fair price) [108(e)], copy **can be digital**, must “become the property of the user,” display copyright notice on its “order form.”
 - No notice that it would be used for any purpose other than *private* study, scholarship or research, this would **exclude** public display, performance, or distribution, **precluding** use in an e-reserve or standard reserve.
- No awareness or reason to believe, engaging in:
 - related or concerted reproduction or distribution of ***multiple copies*** of the same material under any subsection, of same material, on one occasion or over period of time, individuals or members of a group, 108(g)(1), or
 - ***systematic reproduction or distribution*** of single or multiple copies under subsection (d), article or part: **interlibrary loan (ILL) allowed**, i.e., the rule of five.

Web Archiving and Fair Use

- *A.V. v. iParadigms, Ltd.*, 2008 WL 728389 (E.D. Va. 2008) (**archiving of student papers** in the TurnItIn database is a fair use).
- *Perfect 10 v. Amazon.com, Inc.*, 487 F.3d 701 (9th Cir. 2007) (**Thumbnail reproduction** is a fair use: “[w]e must weigh Google’s superseding and commercial uses of thumbnail images against Google’s significant transformative use, as well as the extent to which Google’s search engine promotes the purposes of copyright and serves the interests of the public.” *Id.* at 722.)
- *Field v. Google, Inc.*, 412 F.Supp.2d 1106 (D. Nev. 2006) (**Google caching** is a fair use, bad faith as Field “deliberately ignored the protocols,” implied license defense available).



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Search words that occur **within** the items. Find Full view only[Advanced Full-text Search](#) | [Search Tips](#)

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- [Landmark HathiTrust Decision: Implications for Libraries \(video\) - ARL](#)

Currently Digitized

10,566,195 total volumes

5,564,036 book titles

274,939 serial titles

3,698,168,250 pages

474 terabytes

125 miles

8,585 tons

3,250,787 volumes (~31% of total) in the public domain

[View visualizations of HathiTrust](#)

Featured Collection

Digitization as Fair Use

- *Authors Guild, Inc., v. Hathitrust*, 2012 WL 4808939 (S.D.N.Y., October 10, 2012):
“Defendants use the works within the HDL in three ways: (1) *full-text searches*; (2) *preservation*; and (3) *access* for people with certified *print disabilities*.” *Id.* at *7.
- **Fair Use:** Transformative uses are good uses (1st factor) and do not cause market harm (4th factor).
- “A transformative use may be one that *actually changes* the original work. However, a transformative use can also be one that serves an *entirely different purpose*.” *Id.* at *7.

Digitization as Fair Use

- First Factor (**NO**): “the program helps Defendants preserve their collections... **normal deterioration** during circulation, *natural disasters*, or other *catastrophes* that decimate library collections... loss due to *theft or misplacement*.” Id. at *10.
- First Factor (**NO**): “The argument that *preservation* on its own is a transformative use is not strong.” Id.
- First Factor (**YES**): “use ... is transformative... the purpose is *superior search capabilities* rather than actual access to copyrighted material... new methods of academic inquiry such as text mining.”
 - “Mass digitization allows new areas of *non-expressive computational and statistical research*.” Id. at *11.

Digitization as Fair Use

- First Factor (**YES**): “The use of digital copies to *facilitate access for print-disabled persons* is also transformative... Print-disabled individuals are *not* considered to be a *significant market or potential market* to publishers and authors.” Id. at *11-*12.

First Factor: FAIR.

- Second Factor: “Copying *factual works* [thin copyright] is more likely fair use than copying creative works... Because the use is transformative, intended to facilitate key-word searches or access for print-disabled individuals, the second factor is not dispositive.” Id. at *12.

Second Factor: NEUTRAL?

Digitization as Fair Use

- Third Factor: “*entire copies were necessary* to fulfill Defendants’ purposes of facilitation of *searches* and *access* for print-disabled individuals.” Id. at *12. **Third Factor: FAIR.**
- Fourth Factor: transformative purpose, burden on plaintiff: “**preponderance** of the evidence... some *meaningful likelihood* of future harm.” Id. at *13.
- Fourth Factor: “the purchase of *additional* paper *copies*, or even *electronic copies*, would *not* have *allowed* Defendants to *create a searchable inventory* of their works or *provide access* to *print-disabled* individuals on an equal footing with sighted individuals.” Id. at *11.

Digitization as Fair Use

- Fourth Factor: transformative uses operate in transformative markets, a market **NOT** due the copyright owner!: “A copyright holder cannot preempt a *transformative market*.” Id. at *13.
- The publisher’s Red Herring (“well, we would license this use if we could”): “A use that ‘falls within a *transformative market*’ does *not cause* the copyright holder to ‘suffer *market harm* due to the *loss of license fees*.’” Id., quoting *Bill Graham Archives v. Dorling Kindersley, Ltd.*
Fourth Factor: FAIR.
- **Overall assessment: +1+0+1+1= FAIR USE!**

Factors in Risk Assessment

- **Legal Risk:** the potential for liability (“can I be sued”), the likelihood of litigation (“will I be sued”) as well as settlement and the impact of that litigation or settlement (“how much will I owe”).
- The statute of limitations: **three years** for civil actions and five years for criminal actions. 17 U.S.C. § 507.
- Registration and litigation over infringing use of works:
 - Permissive. 17 U.S.C. § 408: “[T]he owner of copyright or of any exclusive right in the work **may** obtain registration ...”
 - Prerequisite to litigation. 17 U.S.C. § 411: “[N]o action for infringement ... shall be instituted **until registration** of the copyright claim has been made...”
- Damages and **publication status:** statutory damages and attorney’s fees only available if registration occurs before infringement of an unpublished work or registration within three months of publication for published works. 17 U.S.C. § 412.

Trademark Fair Use

- **Nominative Fair Use:** *New Kids on the Block v. News America Publishing*, 971 F.2d 302, 308 (9th Cir. 1991): Use of the plaintiffs' trademark in another's own goods and services if 1) the product must not be readily identifiable without the use of the trademark, 2) *no more* of the trademark is used by the plaintiff than is *reasonably necessary* to identify the product, and 3) the defendant must *not* act in such a way as to *suggest sponsorship or endorsement* by the plaintiff.
- **Descriptive Fair Use:** *Richards v. Cable News Network, Inc.*, 15 F. Supp. 2d 683 (D. Or. 1998). (Use of the "world" music label a fair use.)

Trademark Fair Use

- *Tiffany, Inc. v. eBay, Inc.*, 600 F.3d 93 (2d Cir. 2010):
We have recognized that a defendant may *lawfully use* a plaintiff's *trademark* where doing so is *necessary to describe* the plaintiff's *product* and does not imply a false affiliation or endorsement by the plaintiff of the defendant... We agree with the district court that eBay's use of Tiffany's mark on its website and in sponsored links was lawful. eBay used the mark to *describe accurately the genuine Tiffany goods* offered for sale on its website. And none of eBay's uses of the mark suggested that Tiffany affiliated itself with eBay or endorsed the sale of its products through eBay's website." *Id.* at 102-103.

Grey Lit “Articles” in Patent Applications

- *John Wiley & Sons, Ltd. and American Inst. of Physics v. Hovey Williams LLP and John Does Nos. 1-10*, No. 12-CV-04041 (D. Kan. filed April 20, 2012) (use of articles as addendums to patent applications).
- *Schwegman, Lundberg & Woessner, P.A.*, 2013 WL 4666330 (D. Minn., slip copy): “Schwegman’s use of the Articles facilitates the complete disclosure required in the patent-application process, assisting patent examiners in determining whether applications for patent protection should be granted, and, consequently, fulfilling the very same purpose of promoting science and the arts that the Copyright Act was intended to accomplish.”).

Threats and Opportunitites: Legislation

- DMCA Section 104 Report (2001).
 - http://www.copyright.gov/reports/studies/dmca/dmca_study.html.
- REPORT ON ORPHAN WORKS (2006).
 - <http://www.copyright.gov/orphan/>.
- THE SECTION 108 STUDY GROUP REPORT (2008).
 - <http://www.section108.gov/>.
- FEDERAL COPYRIGHT PROTECTION FOR PRE-1972 SOUND RECORDINGS (2011).
 - <http://www.copyright.gov/docs/sound/>.
- LEGAL ISSUES IN MASS DIGITIZATION: A Preliminary Analysis and Discussion Document (2011).
 - <http://www.copyright.gov/docs/massdigitization/>.

Copyright & Digitization Summary

- **First Sale** rights apply to “copies or phonorecords” the library owns and that are lawfully made.
- Library and archive rules allow **digitization** of unpublished and published works, but no web access.
- Library and archives rules allow you to **ILL** works of grey lit.
- Fair use can support **digitization** of grey lit for purposes of data-mining, increased retrieval and possibly for accessibility.
- Once a grey work is **identified** through data-mining use library and archive rules to **ILL** (inter-library loan) a copy.
- Other factors in copyright **risk management** can impact digitization decisions.

THANK YOU!

Questions and Comments

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Tomas A. Lipinski

tlipins1@kent.edu

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