Legislative Update

By

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I. INTELLECTUAL PROPERTY

A. Proposed Legislation: Fair Copyright in Research Works Act. On February 3, 2009, Rep. Conyers introduced the Fair Copyright in Research Works Act (H.R. 801), which has been referred to the House Judiciary Subcommittee on Courts and Competition Policy. The bill would amend the Copyright Act to provide that no federal agency, in connection with a funding agreement, may require a copyright transfer or license from a grantee, contractor, or other recipient of federal funds if the resulting work is also funded in substantial part by a non-party federal agency or reflects the meaningful contribution of a non-party federal agency. The bill appears to be inconsistent with the National Institute of Health’s Public Access Policy, which requires that scientists submit final peer-reviewed journal manuscripts arising from NIH funds to a digital archive upon acceptance for publication and that manuscripts be accessible to the public within 12 months of publication. Rep. Conyers submitted a similar bill in the 110th Congress. The legislation faces opposition from open government advocates.

B. Proposed Legislation: Orphan Works. There is no update on potential Orphan Works legislation from last year’s Legislative Update.\(^1\) As reported last year, Senate and House committees cleared separate orphan works bills in 2008 but the bills died at the end of the 110th Congress.

While legislation has not been introduced in the 111th Congress, the 2008 bills presumably would provide the starting point for any new legislation. As reported last year, although the 2008 Senate and House bills differed in certain particulars, both bills generally would have (i) permitted the use of copyrighted works where a user, after a good-faith, diligent search meeting a statutory standard, is unable to locate the copyright owner; and (ii) limited monetary relief to “reasonable compensation” if the user/infringer meets conditions of eligibility and the copyright owner emerges. Both bills also provided that monetary relief could not be awarded against certain entities for certain uses. The House bill provided that, in certain circumstances, monetary relief could not be awarded against “a nonprofit educational institution, library, or archives, or a public broadcasting entity”; the Senate bill provided that monetary relief could not be awarded against “a nonprofit educational institution, museum, library, archives, or a public broadcasting entity.” Under both bills, these entities, to be exempt from money damages, would have to prove by a preponderance of the evidence that: (i) the infringement was not for purposes of commercial advantage; (ii) the infringement was primarily “educational, religious, or charitable in nature”; and (iii) the infringement ceased upon receiving notice.

\(^1\)The term “orphan work” describes “the situation where an owner of a copyrighted work cannot be identified and located by someone who wishes to make use of the work in a manner that requires permission of the copyright owner.” See Register of Copyrights, Report on Orphan Works (Jan. 2006).
of a claim of infringement and after conducting “an expeditious good faith investigation” of the claim.

C. Section 108 Recommendations. There is no update on Section 108 from last year’s Legislative Update. As reported at last year’s program, on March 31, 2008, the Section 108 Study Group issued a report and recommendations “on exceptions to copyright law to address how libraries, archives and museums deal with copyrighted materials in fulfilling their mission in the digital environment.” See News from the Library of Congress, http://www.loc.gov/today/pr/2008/08-063.html. Section 108 of the Copyright Act permits limited reproduction of copyrighted works by libraries and archives for purposes such as replacement or security. The report was delivered to the Librarian of Congress and “will serve as the basis on which legislation may be drafted and recommended to Congress.” Id. The report contains many recommendations, including that museums be eligible for the Section 108 exceptions. The report also contains a number of recommendations relating to the preservation and replacement exceptions for libraries and archives to address the impact of digital technologies. No implementing legislation has been introduced in the 111th Congress.

D. Proposed Legislation: Performance Rights Act. On February 4, 2009, Representatives Conyers and Issa and a number of co-sponsors introduced the Performance Rights Act (H.R. 848). The legislation would amend the Copyright Act to grant copyright owners a performance right for sound recordings transmitted by audio transmission (i.e., by an over-the-air broadcaster). This would essentially require broadcasters to pay performers for playing their sound recordings. The legislation was reported out of the House Committee on the Judiciary on May 13, 2009; the Committee recommended that it be considered by the House as a whole. Companion legislation (S. 379) was introduced in the Senate on February 4, 2009, and referred to the Senate Committee on the Judiciary. On August 4, 2009, the Register of Copyrights submitted a statement to the Senate Judiciary Committee in support of the legislation. On October 15, 2009, the Senate legislation was reported out of Committee; the Committee recommended that the bill be considered by the Senate as a whole.

E. ICANN Considers Model for Trademark Protection in the gTLD Program. On October 4, 2009, the Internet Corporation for Assigned Names and Numbers (“ICANN”) issued proposed recommendations for protecting trademark rights as individuals and entities apply for and register generic top-level domains (“gTLD”s). See http://www.icann.org/en/announcements/announcement-04oct09-en.htm. The gTLD is typically the rightmost portion of an internet address (e.g., .com, .org, or .net). ICANN recommended creation of an “IP Clearinghouse” (a database of valid trademarks for use by gTLD registry operators) and a “Uniform Rapid Suspension” process in clear cases of trademark infringement. On December 17, 2009, the Special Trademarks Issues Working Team proposed certain alternatives to the IP Clearinghouse and Uniform Rapid

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2 Section 108 is a provision of the Copyright Act. It provides libraries and archives with specific exceptions to the exclusive rights of copyright owners. For example, it permits libraries and archives to make copies of works in certain circumstances for purposes of replacement or security.
Suspension process. ICANN is now considering a final model for trademark protection in the gTLD Program.

F. Exemptions to Prohibition on Circumvention of Copyright Protection Systems for Access Control Technologies. The Digital Millennium Copyright Act (“DMCA”) prohibits circumvention of technological measures controlling access to copyrighted works. Under the DMCA, the Register of Copyrights is required to conduct a rulemaking every three years to consider whether users of particular classes of copyrighted works are adversely affected in their ability to make non-infringing uses of copyrighted works, and, upon a proper finding, may exempt classes of works from the DMCA prohibition. The fourth triennial review is currently underway and the Register of Copyrights is in the process of making a final recommendation to the Librarian of Congress. See Exemption to Prohibition on Circumvention of Copyright Protection Systems for Access Control Technologies, 74 Fed. Reg. 55,138, 55,139 (Oct. 27, 2009).

The Copyright Office has received numerous written comments proposing classes of works to be exempted. Several of the comments relate to an attempt to expand a 2006 exemption permitting film studies professors to reproduce clips from DVDs in their university’s educational library for educational use in the classroom. These commenters seek to expand the exemption in several ways, including by allowing all professors, not just film professors, to use movie clips, and by allowing professors to use clips from movies not contained in the university’s educational library. Many of the arguments for the exemptions are grounded in fair use analysis.

G. Department of Justice Intellectual Property Task Force. On February 12, 2010, Attorney General Eric Holder announced “the formation of a new Department of Justice Task Force on Intellectual Property as part of a Department-wide initiative to confront the growing number of domestic and international intellectual property crimes.” See Department of Justice Press Release (Feb. 12, 2010). The Task Force will be chaired by the Deputy Attorney General and will “focus on strengthening efforts to combat intellectual property crimes through close coordination with state and local law enforcement partners as well as international counterparts.” Id. The Task Force will also work closely with the new Office of the Intellectual Property Enforcement Coordinator, a cabinet-level position created as part of the Prioritizing Resources and Organization for Intellectual Property Act of 2008 (“Pro-IP Act”). The Pro-IP Act was addressed in last year’s Legislative Update. The Chamber of Commerce’s Global Intellectual Property Center recently released its “IP agenda,” in which it urges the Administration to “fully implement” the Pro-IP Act and make criminal enforcement of IP laws “among the highest priorities of the Department of Justice.” See February 16, 2010 letter (available at http://www.theglobalipcenter.com/pressreleases/us-chamber-unveils-2010-intellectual-property-agenda).