Facilitating Transactions and Lawful Availability of Works of Authorship: The U.S. Perspective

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As Associate Register of Copyrights and Director of Registration Policy and Practice at the United States Copyright Office, a significant part of my role is to be an advocate for formalities within the limits of the Berne Convention. I realize that many view registration, recordation, and other formalities as obstacles to authors. However, such formalities need not be impediments, but rather may offer valuable benefits to authors, owners, and the overall copyright ecosystem without unduly burdening creators.

United States copyright law embraced formalities to such an extent that they were long a barrier to accession to the Berne Convention. Congress ultimately modified U.S. law to be compatible with Berne, but why was the United States so reluctant to eliminate formalities that had been eschewed by most other countries around the world?[1] Because, despite some problems, formalities can be extremely beneficial. As is so often the case in copyright law, the answer is not binary, but rather a careful balancing of interests. Some aspects of the formalities of the past were unduly Draconian, but rather than reject such formalities in toto, it may be preferable to modify or re-envision their purpose and character. Formalities need not be bound to past constructs, but can be transformed into mechanisms for the benefit of authors and the public alike. Formalities are not inherently flawed; they may simply need to be re-calibrated or re-envisioned to serve new or changing goals.[2]

Internationally, there is renewed interest in certain formalities. Visitors to the U.S. Copyright Office frequently seek to learn about the Office's registration and recordation systems, and the intricacies of the examination process for various categories of copyrightable authorship. Despite the impression that formalities are

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1. Specific Berne-friendly amendments to U.S. Copyright law have included: (1) removal of mandatory copyright notice and renewal requirements; (2) specific addition of protection for architectural works; (3) inclusion of the moral rights of attribution and integrity; and (4) removal of the registration requirement for non-U.S. works. U.S. Copyright Act, 17 U.S.C. §§ 101, 102, 106A, 304(a), 401, 411 (2016).

2. The copyright formalities retained are Berne compatible because they either apply only to U.S. authors or because they provide enhanced remedies or evidentiary presumptions rather than creating an obstacle to copyright protection or enforcement.

incompatible with Berne, member countries are increasingly motivated to learn more about the formalities in the retained U.S. Copyright Act.[3]

To illustrate the benefits that formalities can serve in a copyright ecosystem, I will focus on the U.S. Copyright Office's registration system as an example. Registration is not required for protection under U.S. law, but registration offers enhanced benefits to both domestic and foreign authors and owners of works of authorship.

The benefits of registration include: the availability of enhanced monetary remedies in the form of statutory damages; the potential opportunity to recover attorneys' fees and costs if the plaintiff is the prevailing party; an evidentiary presumption of the facts stated within the certificate of registration if the registration was made before or within five years of publication; a public record of the claim in copyright; constructive notice of recorded documents pertaining to a work if that work has been registered; and for United States works, the ability to bring a civil action for the infringement of the copyright.

A less recognized but critically important aspect of the registration examination process is that it serves as a congressionally-designed filter and check on claims to copyright. Copyright subsists upon fixation of an original work of authorship, but to obtain the enhanced statutory benefits of copyright protection, Congress chose to place the U.S. Copyright Office in a position as a gatekeeper to the federal courts for all United States works, and to extend the enhanced benefits of registration to foreign authors.

This gatekeeper role is not absolute, but it ensures that courts and the public at large receive the benefit of the Office's expertise in assessing: (1) the copyrightability of the work; (2) that the legal and formal requirements of the Copyright Act have been met; and (3) that certain regulatory eligibility requirements have been met for registration options created under the authority Congress granted to the Register of Copyrights in the Copyright Act of 1976.[4] Before receiving the benefits of registration, the Office must examine the facts stated in the application, review the applicable deposit of the work, and verify that the proper fee has been paid. The Office is required to either issue a certificate of registration or a letter explaining why the application has been refused. Generally, between sixty-five and seventy percent of applicants receive certificates of registration without any intervention by the Office.[5] The Office has historically refused less than five percent of the applications submitted.[6] While the Office is

3. In 2016, Copyright Office staff met with visitors from Brazil, Canada, China, Germany, India, Japan, Korea, Mexico, Moldova, Sweden, and the United Kingdom. Office lawyers also traveled to meet with international copyright officials in Australia, Belgium, Italy, and Switzerland. U.S. COPYRIGHT OFFICE, FISCAL ANNUAL REPORT 12 (2016).

4. 17 U.S.C. §§ 410(a), 408(c).

5. Unless otherwise noted, all statistics are estimates based on internal Copyright Office system reports and analysis not available publicly. Wherever possible, publicly available data is used.

6. Using statistics from the past four years of U.S. Copyright Office Annual Reports, the Office refused about 2.1% of claims on average. *See* U.S. COPYRIGHT OFFICE, FISCAL ANNUAL REPORT 12 (2013), https://perma.cc/CVV6-MDT8 (the Office resolved 577,438 applications and refused 9,103, or 1.6%); U.S. COPYRIGHT OFFICE, FISCAL ANNUAL REPORT 10-11 (2014) (the Office resolved 521,616

not required by statute to cure defective applications, a significant part of the work of the Office's Registration Program involves correspondence with the applicant to clarify, limit, or cure one or more outstanding deficiencies in the application. Of the thirty to thirty-five percent of applications that require correspondence, a majority will ultimately receive a certificate of registration. However, a substantial number of those applications will not be cured, resulting in refusal or closure of the claim in copyright for a failure to respond to the Office's correspondence.

This intermediary function of the registration system tends to go unnoticed by the courts and the public because the Office's online public registry only provides information about certificates of registration that are granted. There is not, as of yet, a public registry of refusals or of application files closed for failure to respond to the Office communications.[7] And while the Office correspondence to the applicant may be obtained from the Office for a fee, it is otherwise not publicly available.

Given that applicants for registration can obtain the statutory benefits of registration either based on the issuance of a certificate of registration or based on a refusal of that claim, some commentators have mistakenly concluded that the Office's examination function is largely superfluous.[8] Not only does that ignore the statutory notice that must be served on the Register of Copyrights and the statutory right of intervention in infringement suits based on refusals, but it also ignores the significant function that the Office performs in clarifying, amending, limiting, and curing deficient claims. Over thirty percent of applications require additional information to remedy a range of issues, such as: properly limiting the claim in a work based on preexisting or public domain material, factual conflicts between the application and the deposit copy, failure to explain how the claimant obtained ownership of the work, corrupted electronic deposit copies, improper or insufficient deposits, submission of multiple works for registration on one application, applications containing impossible or implausible facts, failure to pay the application fee, etc. The scale and scope of potential deficiencies across the varied forms of copyrightable authorship are endless. Given the assortment of mistakes and complications that can arise in the application process, applicants, courts, plaintiffs, defendants, and the general public are all beneficiaries of the

applications and refused 9,642, or 1.8 %); U.S. COPYRIGHT OFFICE, FISCAL ANNUAL REPORT 9-10 (2015) (the Office resolved 518,229 applications and refused 11,940, or 2.3%); and U.S. COPYRIGHT OFFICE, FISCAL ANNUAL REPORT 9 (2016) (the Office resolved 469,455 applications and refused 12,656 or 2.7%).

7. *See* Robert Kasunic, *Copyright from Inside the Box: A View from the U.S. Copyright Office*, 39 COLUM. J.L. & ARTS 311, 319 (2016) (advocating for a registry of refusals as an enhancement to the current copyright registration system).

8. *See, e.g.*, 2 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 7.16[B][3][b][ii] (2017) [hereinafter NIMMER ON COPYRIGHT] ("Given that the claimant who has submitted an application that has yet to be acted upon at that juncture has done all that she can do, and will ultimately be allowed to proceed regardless of how the Copyright Office treats her application, it makes little sense to create a period of 'legal limbo' in which suit is barred."); *see also*, *Hearing on "A Case Study in Consensus Building: The Copyright Principles Project,"* 113th Cong. 5 (statement of Professor Pamela Samuelson) (arguing for a decentralized and privatized copyright registration system, akin to a domain name registry).

important gatekeeper role that the Office performs. Moreover, unlike federal judges that may see one or a few copyright cases a year, Copyright Office Examiners collectively see hundreds of applications every day. In fact, Examiners generally examine more works for registration per week[9], in their limitless variations, than the federal courts see in a year. The Office must engage in line-drawing on certain kinds of works and certain issues years—sometimes, decades—before the federal courts must decide such an issue. That experience and expertise in applying statutory concepts across the full array of copyrightable subject matter can be extraordinarily useful to the copyright ecosystem on a day-to-day basis.

Of course, the statute provides courts authority to disagree with the Office's determination in any particular copyright infringement action. Courts may find a registered work uncopyrightable or may find a refused work to be copyrightable.[10] In a conscious departure from the 1909 Act, Congress chose to allow an infringement suit to be initiated upon refusal as well as the issuance of a certificate of registration under the 1976 Act.[11] At the same time, the authority of the federal courts is also limited under the statute. Courts must await a decision by the Office. Courts must allow the Office time to determine whether the application, deposit, and fee are "in proper form"[12] and that all the "legal and formal requirements"[13] have been met. Courts may disagree with the Office's determination, but courts may not compel the Register of Copyrights to either issue a certificate of registration or compel the Office to cancel an existing registration.[14] Congress

9. *See* U.S. COPYRIGHT OFF., FISCAL ANNUAL REPORT (2016), https://perma.cc/XJ8Y-U77B (last visited Aug. 28, 2018).

10. *See* 17 U.S.C. § 410(d) ("The effective date of a copyright registration is the day on which an application, deposit, and fee, which are later determined by the Register of Copyrights or by a court of competent jurisdiction to be acceptable for registration, have all been received in the Copyright Office."); the evidentiary presumption of a certificate of registration is rebuttable and a court may find a registered work uncopyrightable or find that any of the facts stated in the certificate are erroneous or misrepresentations. Conversely, an infringement action initiated after refusal of an application may be found to be sufficiently valid to support the plaintiff's infringement action, but the court must honor the Register of Copyright's statutory right to intervene following proper notice by the plaintiff; 17 U.S.C. § 411(a) ("In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute a civil action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights. The Register may, at his or her option, become a party to the action with respect to the issue of registrability of the copyright claim by entering an appearance within sixty days after such service, but the Register's failure to become a party shall not deprive the court of jurisdiction to determine that issue.").

11. *Compare* §13 of the 1909 Copyright Act (providing that "[n]o action or proceeding shall be maintained for infringement of copyright . . . until . . . registration of [the] work shall have been complied with."), 17 U.S.C.A. § 13 (repealed 1978), *with* § 411(a) of the current law, 17 U.S.C. § 411(a) (2016) (allowing an infringement action to proceed after preregistration, registration, or refusal of a copyright registration).

12. *See* 17 U.S.C. § 411(a).

13. *See* 17 U.S.C. § 410(a).

14. *See* Brownstein v. Lindsay, 742 F.3d 55, 58 (3d Cir. 2014) (holding that courts have no authority to cancel copyright registrations); Proline Concrete Tools, Inc. v. Dennis, No. 7 Civ. 2310, 2012 WL 2886953 (S.D. Cal. July 13, 2012), *vacated*, No. 7 Civ. 2310, 2013 WL 12116134 (S.D. Cal. Mar. 28, 2013) (holding that a court has no power to compel the Register of Copyrights to issue registration certificates).

sought a balance between the Register's exclusive authority to administer the copyright registration system and the independent determination by the federal judiciary in particular infringement actions.[15]

In this manner, the formality of the copyright registration system provides checks and balances on claims to copyright. Judicial review of Office registrations and refusals, together with Administrative Procedures Act claims against the Register, provide checks and balances on these administrative functions.[16] Yet only a small fraction of the registered and refused registrations are involved in litigation. The public is the beneficiary of the Office's filtering function for all the completed or refused registrations that *do not* lead to litigation. With the breadth of its institutional experience and regulatory authority, the Office's reasoning and decision-making benefit courts by considering the forest as well as the trees. The Office's over-arching goal is to ensure that the copyright system is administered in a manner that is faithful to the congressional design and intent.

Having posited many benefits of the formality of copyright registration, it is necessary to consider the disadvantages.

As discussed above, registration used to be a barrier to enforcement. The 1976 Act changed that, by allowing claimants to initiate infringement actions based on a refusal as well as the issuance of a certificate of registration, subject to some additional formalities of serving notice and a copy of the complaint on the Register of Copyrights prior to initiating any action based on a refusal and providing the Register with the unqualified right to intervene in any such infringement action.[17] The Berne Convention Implementation Act further eliminated registration as a prerequisite to initiating infringement actions on non-U.S. works.[18] However, foreign authors may register their works with the U.S. Copyright Office and by doing so, will obtain the statutory benefits that the Copyright Act provides, such as the ability to seek statutory damages and attorney's fees, for works that have received a certificate of registration. Thus, some significant disadvantages of the past have been ameliorated.

Some claim that these congressional modifications have not gone far enough. Having to wait for the Office to issue a certificate of registration or a refusal can delay the ability of a copyright owner to enforce their exclusive rights in court.[19] However, the Office mitigated that concern decades ago by creating an expedited

15. *See* 17 U.S.C. § 410(d) (providing that *either* the Register of Copyrights *or* a court of competent jurisdiction have the authority to determine the effective date of a copyright registration).

16. *See, e.g.*, Atari Games Corp. v. Oman, 888 F.2d 878 (D.C. Cir. 1989).

17. 17 U.S.C. § 411(a).

18. The Berne Convention Implementation Act of 1988 amended § 411(a) of title 17 to exclude works from Berne Convention works originating outside the U.S. from the registration requirement. The Berne Convention Implementation Act (1988) § 9(b), and the Visual Artists Rights Act (1990) further amended section § 411(a) to simply limit the registration requirement to "U.S. Works." Visual Artists Rights Act of 1990, title VI of the Judicial Improvements Act of 1990, Pub. L. No. 101-650, § 606(c), 104 Stat. 5089, 5128.

19. *See* 2 NIMMER ON COPYRIGHT, *supra* note 8, at § 7.16[B][3][b][ii] (arguing that "[g]iven that the claimant who has submitted an application that has yet to be acted upon at that juncture has done all that she can do, and will ultimately be allowed to proceed regardless of how the Copyright Office treats her application, it makes little sense to create a period of 'legal limbo' in which suit is barred.").

registration service for registrations involved in pending or prospective litigation, for Customs enforcement, or to meet contractual requirements.[20] This "special handling" service will generally ensure that an application is reviewed within five business days.[21] The fee is currently eight hundred dollars for this expedited service.[22] However, if a registration is involved in litigation, that amount is relatively insignificant in comparison to the hundreds of thousands of dollars that may be incurred in court costs and attorney's fees.[23] It is very possible that the certificate of registration or refusal could help an author or owner avoid significant legal expenses based on the determination by the Office.

A more compelling disadvantage of registration is the complexity of copyright law and of Copyright Office practices. The Compendium of U.S. Copyright Office Practices, Third Edition, as revised, is a significant step forward in providing reasonably clear guidance in all aspects of copyright law related to registration as well as Office practices. In addition, the Office's revised circulars on various aspects of copyright law also help. Nevertheless, Copyright Office Examiners have learned through experience that many applicants are unfamiliar with copyright law and Office practices and are simply not willing to invest the time to read the resources provided by the Office. Examiners are often placed in the position of being individual tutors to applicants on the law and practices. The lack of knowledge by applicants coupled with one of the most complex and nuanced areas of the law requires a great deal of time on the part of examiners and great care to avoid providing legal advice.

To be sure, the Office could reduce examining times enormously if Examiners did not assist applicants with problematic applications, but rather simply issued certificates or refused defective applications. This would alleviate many of the delays that can occur, but it would not help the vast number of creators who do not know how to navigate the nuances of copyright law.

A related disadvantage of registration is the statutory mandatory deposit requirement. For published works, the law generally requires the applicant to submit two physical copies or phonorecords of the "best edition" of the work.[24] What constitutes the best edition across the categories and classes of authorship can be confusing. In addition, when the Office was purely a paper-based registration system, the mailing of a physical application with a physical deposit was burdensome and time-consuming, particularly after security was increased on

20. Policy Decision Announcing Fee for Special Handling of Applications for Copyright Registration, 47 Fed. Reg. 19254 (May 4, 1982).

21. *See generally* COMPENDIUM OF U.S. COPYRIGHT OFFICE PRACTICES § 623 (3d. ed. 2017), https://perma.cc/VT4D-WCBR [hereinafter COMPENDIUM].

22. For a complete list of current Copyright Office fees, see U.S. COPYRIGHT OFFICE, CIRCULAR 4 (2017), https://perma.cc/S6VW-4RQE.

23. U.S. COPYRIGHT OFFICE, A REPORT OF THE REGISTER OF COPYRIGHTS 8 (2013) (as part of its 2013 report on small copyright claims, the Office found that, in 2010, the average cost to litigate a copyright infringement suit was approximately $350,000).

24. 17 U.S.C. § 407(a).

Capitol Hill following terrorist attacks in 2001.[25] By 2008, the Office's electronic registration system was publicly available, but for published works, the "best edition" of physical deposits are still required to be submitted for the benefit of the Library of Congress's collections.[26] Thus, only unpublished works and published works exempt from the best edition requirements by regulation are capable of fully electronic submission for both the application and the deposit. For all other published works, physical copies are received via mail, screened and irradiated by security, and then must be manually coupled with the electronic application by means of a shipping slip generated by the electronic registration system, and which are hopefully included in the package with the physical deposit. Where applicants fail to include the shipping slip, it is virtually impossible to connect these two required elements for registration.

The formality of obtaining a registration decision from the Office as a prerequisite to the statutory benefits of registration, including the ability to initiate a copyright infringement action for U.S. authors, does entail hurdles for applicants. While many of the problems identified have been diminished by actions of Congress or the Copyright Office, registration does impose some burdens. However, the advantages that registration provides the current copyright system are significant. Elimination of registration would create new burdens on the creators, the public, and the courts. Does it make sense to forego the many benefits that registration offers simply because it creates some burdens for applicants? Do these disadvantages outweigh the advantages of the formality of registration? Perhaps the better question is: can we reduce or eliminate the disadvantages to arrive at a more advantageous registration system for creators, copyright owners, the courts, and the public?

We can re-envision the U.S. registration system in a manner that increases its benefits to the copyright system while simultaneously eliminating many of the disadvantages identified. What follows are some of the features that the U.S. Copyright Office hopes to achieve in a re-envisioned registration system.

The complexity of copyright law and Copyright Office registration options can be offset by an electronic registration system that adapts to the applicant rather than requiring the applicant to navigate myriad options and challenges. From our daily experience with the full range of applicants across the enormous and expanding array of copyrightable authorship, there are three fundamental needs that must be addressed.

First, the registration system can adapt to better accommodate the copyright novice. Many creators do not know or understand copyright law, are unfamiliar with copyright terms of art, and do not know how to navigate the Office's registration options. The Office has made a monumental effort to update the Compendium of U.S. Copyright Office Practices, most of the Office's circulars relating to registration issues, and the Copyright Office website. However, it takes

25. *See* U.S. COPYRIGHT OFFICE, FISCAL ANNUAL REPORT 5 (2002), https://perma.cc/CVV6-MDT8.

26. For a detailed discussion of the "best edition" deposit requirement for copyright registration, *see* COMPENDIUM, *supra* note 21, at § 1504.

time and effort on the part of the applicant to review this information. Many applicants do not want to learn about copyright law or Office practices, but simply want to register their works. Internally, the Office has long recognized that the application itself is the optimal point to reach applicants, but unfortunately, our current system is too inflexible to accommodate the meaningful improvements that we sought.

In our current efforts for modernization, we are committed to designing a system that will meet both the needs of the public and of the Office. For novice users, the goal is to optimize the user experience and in doing so, reduce the problems that examiners encounter on the back end of the process. The goal is to create a conversational application option to query the applicant about facts in language that is accessible to the user. Such a user-friendly decision tree would minimize or eliminate the need for the applicant to understand copyright law or Copyright Office practices and could provide the applicant with assistance while completing the application. The registration process itself could translate the stated facts into the correct legal designation and could choose the proper registration route for the applicant based on the type of work. It could even specify the type of deposit that must be submitted to the Office together with the applicable fee.

Second, a sizable percentage of applicants are knowledgeable users of the system. For them, the query process suitable for novice users would be overly time-consuming. These applicants generally know copyright law, terms of art, and Copyright Office practices, and simply want to file their applications efficiently. For these users, a "forms view" would likely be the most appropriate vehicle for submitting individual applications. A stream-lined and improved electronic form akin to the two-page paper application would be more efficient for their needs.[27]

Third, while experienced users filing individual applications might be satisfied with the "forms view" option, frequent filers may require additional ease-of-use or customization. For instance, daily or weekly television programmers, serial publishers, software developers, photographers, or blog creators may want or need to register works on a daily or even hourly basis. For such creators, an Application Programming Interface(s) ("API") will be essential to open the flexibility that they may need. APIs are routines, protocols, and/or tools that would enable companies, organizations, associations, or anyone to develop programs, apps, or website portals that would bypass the Copyright Office's user interface and input data, deposits, and fees directly to the Copyright Office's registration database. The use of APIs would allow companies, software, or even hardware developers to build registration capabilities into their workflow, software, or devices. In addition, given the varying needs of creators of different types of copyright authorship, APIs will allow the private sector to customize registration options for various creators

27. It is important to note that the Office is already experimenting with the first stages of such a streamlined and improved application. The new Single Application that went live in mid-December departs from the Office's past dissection of authorship in a work (e.g., the author created statement for a literary work broken down into text, illustrations, photographs, etc.) to a general description of the work. Since the Office's statutory requirement is to examine original "works of authorship," the dissection of copyrightable elements in a work is not required and may cause more problems than it resolves.

and industries, whether that be book publishers, music publishers, software developers, video game developers, website developers, or photographers. Thus, APIs could constitute a significant realization of an open public-private opportunity that would serve the needs of specific industries, leverage private investment and expertise in technology, and serve as a constant vehicle for adaptation and change.

APIs could further open opportunities for exporting data from the U.S. Copyright Office's database. There is no reason that APIs need be limited to input—they could also serve as an important vehicle for the output of data to third parties. This would allow third parties to augment the Copyright Office's registry with additional information. There is no end to the third-party enhancements to the Office's official registry that could be achieved. Registration and recordation information could be coupled with licensing information and/or systems and registration/recordation services. Infringement policing functions could be built upon the exported registry data. Representative deposits, e.g. thumbnail images, text snippets, sound or video clips could be added to the exported textual information in the Office's registry data. An IMDb-like registry could add facts about the creation process, the identity of performers, etc.[28]

There is more that we can do to facilitate licensing and legitimate transactions for copyrighted works in the registration and recordation process or by the third-party addition of this information at a later date. As unique identifiers become more standardized in various types of works, the inclusion of such unique identifiers for works, creators, and owners in the registration and recordation data would foster electronic licensing, transactions, and accounting.

The Office desires to make it easier and less expensive (or free) to update contact information and/or rights and permissions information. Doing so could greatly reduce the orphan work problem. Similarly, in addition to improving registration, by making the recordation of documents, transfers, and licenses easier, cheaper, and more efficient, we might help foster a more robust chain of ownership that would further reduce the orphan work problem and facilitate lawful transactions and use of copyrighted works.

The Office also seeks to create a more complete public registry by fully integrating the registration and recordation data related to particular works and by expanding its registry of registrations and recordations to include information about refusals and claims closed due to the failure to reply to Office correspondence or provide required information, deposits, or fees. Ultimately, that registry might also include any correspondence between the applicant and the Office relating to any particular claim.

We are at the beginning stages of designing a new electronic registration and recordation system in our modernization efforts. The Office and contractors working for the Office are seeking input from users across the country in all areas of authorship. We are actively seeking all the input and feedback that we can

28. Jim Griffin deserves the credit for this analogy. As we have discussed over the years, no one knows what information may ultimately be significant to someone. For instance, in identifying a witness for an infringement case, it may be useful to know who catered a recording session.

obtain. The Library of Congress is committed to providing the Office with the technological support it needs to realize the modernization that meets both user and Office needs.

In closing, I urge you not to dismiss the vital registration possibilities of the future due to problems identified in the past. Registration provides significant benefits to the copyright ecosystem now, but its benefits into the future are limited only by the limits of our ability to re-imagine what it can achieve.