

This response is made on behalf of The British and Irish Association of Law Librarians (BIALL). BIALl is an independent and self-supporting body that was created to represent the interests of legal information professionals, documentalists and other suppliers of legal literature and reference materials in the United Kingdom and the Republic of Ireland.

There are 900 members of BIALl, both personal and institutional. Almost every legal information unit is represented - academic legal research libraries, units in commercial, technical and industrial concerns, the courts and government departments.

BIALL is a member of the Libraries and Archives Copyright Alliance (LACA). BIALl has participated and contributed to the LACA response to the Gowers Review. We have had access to the text of the submissions made by a number of other organisations and we cross refer to those documents in our submission. Consequently, our response supports and reflects other submissions in a number of areas, although it also deals with other issues.

## GENERAL QUESTIONS

### 3. How IP is licensed and exchanged

(a) How easy is it to negotiate licences to use others' IP for commercial or non-profit purposes?

Such negotiations are currently unnecessarily difficult, and involve a significant investment of time and resources on all sides. Reducing the difficulty of negotiating and monitoring licences would be beneficial for both users and rights holders. The existence of collecting societies and licensing agencies ought to make this process easier, but for both potential and current licensees, there can be a lack of information on procedures and options.

The European Commission Communication on *The management of copyright and related rights in the Internal Market* [COM(2004) 261 final] noted that "[t]he efficiency, transparency and accountability of collecting societies is crucial..." (p.3). While more recent European Union initiatives have concentrated on the music sector, this remains a key factor in relation to licensing in all sectors. Statutory regulation of collecting societies is required. Provisions should include the establishment of a public register of societies and requirements for the public availability of standard licence terms, up-to-date information on excluded countries, rights holders and works, and the involvement of both rights holders and user communities in the licensing process. There should be published codes of practice and monitoring of compliance with these requirements.

The difficulties sometimes experienced by collecting societies in persuading significant rights holders to participate in licence schemes have the effect of prolonging negotiations unnecessarily and causing avoidable expense and also delay in providing arrangements for legitimate access to licensed materials by licensees. We understand that the provision in the Copyright, Designs and Patents Act (CPDA) 1988 s.137 for the Secretary of State to extend licensing schemes to cover "works of a description similar to those covered by the scheme or licence" in certain circumstances when "they are unreasonably excluded from it" has not been invoked to date. We would recommend that the power to make decisions of this sort should be extended beyond the context of reprographic copying by educational establishments. Additionally, rather than involving the Copyright Tribunal only in appeals, it would be more practical for the responsibility for these decisions to be moved from the Secretary of State to the Copyright Tribunal, with interested parties putting their case directly to the Tribunal. This process would also be assisted by the adoption of new procedures for the Tribunal, as we propose with reference to how IP is challenged and enforced below.

(d) Are there specific barriers to licensing in the main forms of IP currently used: patents, copyright, trademarks, designs?

A significant barrier to licensing IP is the failure to fully update the legislation in the light of technological developments, despite the passage of the Electronic Communications Act in 2000. A Copyright, Designs and Patents Act 1988 (Electronic Communications) Order is urgently required, similar to the Patents Act 1977 (Electronic Communications) Order 2003 S.I. 2003/512.

Such an Order should modify both primary and secondary legislation. It should allow electronic communication of notices, declarations and licences between rights holders, users and third parties (e.g. libraries) wherever other means are currently permitted or required. It should also specifically permit the conversion of the content of works and other subject-matter to allow its electronic communication and receipt, when such communication is currently lawful by other means. A particular example would be the Copyright (Librarians and Archivists) (Copying of Copyright Material) Regulations 1989 S.I. 1989/1212. Revision of the prescribed copyright declarations forms should adopt, so far as possible, technology neutral language so as to reduce the need for further amendments as software, hardware and communication methods develop.

Given the limited adoption of electronic signatures, as recently noted by the European Commission *Report on the operation of Directive 1999/93/EC on a Community framework for electronic signatures* [COM(2006) 120 final], the Patent Office should follow other Executive Agencies in becoming a provider of electronic signatures to authenticate electronic communications.

#### **4. How IP is challenged and enforced**

(e) Are there barriers to using such methods to settle IP disputes without recourse to litigation? How might they be removed?

There are still significant barriers to settling IP disputes without recourse to litigation, especially for small businesses and for projects with limited budgets. It would help to remove these barriers if there was legislative provision for compulsory procedures for the swift initial resolution of disputes subject to the jurisdiction of the Copyright Tribunal, as a precursor to any full legal proceedings.

Following the Leggatt Report (*Tribunals for users - one system, one service*) in 2001, the Lord Chancellor's Department announced that the Copyright Tribunal is one that will be excluded from the new unified Tribunals Service. One reason for this exclusion was that cases "are of a specialist nature where the parties are invariably representative bodies that have UK-wide coverage and that use senior barrister (sic) to argue their cases." (<http://www.cst.gov.uk/tribunal-reform.html>) [viewed 18.4.06]

Article 3(1) of Directive 2004/48/EC on the Enforcement of Intellectual Property Rights provides that the measures, procedures and remedies to ensure the enforcement of relevant intellectual property rights "...shall be fair and equitable and shall not be unnecessarily complicated or costly, or entail unreasonable time-limits or unwarranted delays."

While the availability of the expertise of a specialist tribunal is welcome, it seems plain that there is currently no effective provision for the resolution of minor disputes by individual licensees and the current Copyright Tribunal procedure might well be deemed unnecessarily complicated or costly. The same criticism may also be made of the many steps presently required to challenge restrictions imposed by digital rights management technologies.

Restricting access to legal representation or to a court or tribunal could be contrary to treaty obligations (e.g. TRIPS Agreement 1994 Art.42) and the Human Rights Act 1998. However, it is now well established that it is legitimate to establish procedures for the swift initial resolution of disputes, with rights of appeal.

One option would be to extend and adapt the optional affidavit procedure under the Copyright Tribunal Rules 1989 [S.I.1989/1129 rule 14(3)], providing for a compulsory initial procedure subject to strict time limits.

Alternatively, similar to the proposal made below on protecting copyright exceptions, all reproduction rights licences and digital product licences offered to UK users might be required to include a clause providing, in the first instance, for the compulsory appointment and use of an independent arbitrator, adjudicator or mediator in the event of disputes. The new Patent Office Mediation Service Model Procedure & Agreement could provide the basis for minimum standards of dispute resolution.

We also propose that the Tribunal's jurisdiction should be extended to two additional types of dispute. In both cases we submit that such extensions would allow disputes to be resolved more effectively than at present, particularly if the procedural changes above were also adopted.

Firstly, in our proposals on how IP is licensed and exchanged above, we call for a wider power to extend coverage of schemes or licences and, in conjunction with that, suggest that the Copyright Tribunal should have jurisdiction to adjudicate on all such claims, rather than only on appeals against orders extending schemes (CDPA 1988 s.139).

Secondly, we suggest a similar alteration to the CDPA 1988 s.296ZE in respect of complaints that effective technological measures are preventing permitted acts. Such complaints should be made to the Copyright Tribunal rather than the Secretary of State. We also make separate proposals on other aspects of digital rights management (DRM) below.

## **SPECIFIC ISSUES**

### **Copyright exceptions - fair use / fair dealing**

(a) What are your views on the current exceptions in copyright law?

The current exceptions should be preserved but they are inadequate in some important respects, particularly because they can be removed or restricted by individual contracts and licences. Legislation should be enacted to provide that any contractual terms which would have the effect of restricting the statutory exceptions should be deemed severable from the rest of the contract, and void.

More specifically, Article 5(3)(b) of Directive 2001/29/EC on the Harmonisation of Certain Aspects of Copyright and Related Rights in the Information Society allows an exception "for the benefit of people with a disability". However the UK legislative exceptions, introduced by the Copyright (Visually Impaired Persons) Act 2002, do not apply to all those with a print disability. We should like to record our support for the submissions on the need for wider exceptions made by Share the Vision. We also make particular observations below on the position in respect of DRM technologies.

(b) could more be done to clarify the various exceptions?

As noted in the Call for evidence, "[w]hilst these statutory monopolies provide the incentive to invest, they are strictly limited to balance their costs.... The state must ensure that this balance is appropriate". Any work on clarifying the exceptions should be careful not to inadvertently increase the costs by extending monopoly rights.

However, we also agree that "public awareness of the boundaries of lawful use is low" and this has undoubtedly been exacerbated by the current "highly complex IP system". There would be obvious benefits if the public had a clearer idea of where they stand. This should be addressed by the provision of consistent public information on lawful activities, particularly at the point of use

(e.g. in libraries, and on the websites of search engines and internet service providers). Such guidance should be prepared in consultation with representatives of both rights holders and users.

It is also important that the legislation should explicitly state that the exceptions to copyright apply equally to printed and electronically published works. In this respect the CDPA is in urgent need of updating. We are aware that our views on the importance of preserving and where appropriate extending the existing exceptions are shared by other organisations from the library and information sphere which have made submissions to the Review. We would like to put on record our support for the evidence submitted by the British Library and The National Archives in answer to this question.

### **Copyright - digital rights management**

(a) Do you have a view on how the use of digital rights management technologies should be regulated?

In our proposals on how IP is challenged and enforced above, we suggest possible improvements to the current position on dealing with disputes related to DRM technologies under the CDPA 1988 s.296ZE.

However, having noted in our proposals on copyright exceptions above that current UK legislation presents problems for the print disabled, we submit that this is particularly true in the case of DRM technologies. Share the Vision's response to the Gowers Review provides particular examples of these problems and once again we should like to support their submission on the need for new legislation to protect the rights of the print disabled.

More generally, the potential for protection measures to prevent copying for the legitimate purposes of archiving electronic works for long term preservation has been highlighted in the submissions to the Review by The National Archives and by the Research Information Network and we would like to express our support for those submissions.

### **Copyright - orphan works**

(a) Have you experienced any difficulties in identifying the owners of copyright content when seeking permission to use that content?

(b) Do you have any suggestions on how this problem should be overcome?

Identifying the owners of copyright content when permissions are required can involve extensive enquiries, which may fail to produce current information. The current law leaves open the risk of infringement actions by those claiming to be rights holders, and even the possibility of criminal proceedings (subject to defences), irrespective of the enquiries undertaken. This unquantifiable risk can lead to research projects being abandoned or left incomplete. The extent of the problems which orphan works present are extensively detailed in the recent United States Copyright Office *Report on orphan works: a report of the Register of Copyrights*. However, the solutions proposed therein, with their focus on litigation, are not directly appropriate for the UK.

Here legislation is needed to provide statutory authorisation for copying when those seeking permission to use copyright content are unable to trace rights holders after reasonable research. This authorisation should extend to all classes of works and the permitted uses should include both commercial and non-commercial reproduction. Criminal liability should be explicitly excluded in such circumstances and any person subsequently asserting rights should only be entitled to claim equitable remuneration from the time such copies are first made.

In the future, the problem of orphan works could be significantly reduced by Government support for voluntary registration of rights holders' interests in free public databases. The participation of collecting societies in registering the rights they hold could be particularly useful.

### **Legal sanctions on IP infringement**

(a) Are you aware of any inconsistencies or inadequacies in the way the law applies legal sanctions to infringement of different forms of IP or to different circumstances?

“In the commercial world, making a threat of to bring infringement proceedings against another person may cause serious damage...” (Garnett, Davies & Harbottle: *Copinger and Skone James on copyright* 15th ed. v.1 p.788.) This is a comment on the introduction of section 253 of the CDPA 1988 on threats in relation to design rights, following earlier provisions such as the Patents Act 1977 s.70. However, it remains the case that there is no similar provision in relation to unjustifiable threats of copyright proceedings. As noted in our proposal on orphan works above, this is an inconsistency which should be addressed by legislation.

### **Coherence between competition policy and IP policy**

(d) Should competition law have a greater role to play in regulating IP?

The collecting society practices observed in Case 395/87 *Ministère Public v Tournier* [1989] ECR 2521 and similar cases have been described as “excessive to the point of being abusive” (Keeling: *Intellectual property rights in EU law* v.1 p.396). However, the challenges to these practices under competition law were not effective (Case C-91/95 *Tremblay & others v Commission* [1996] ECR I-5547). Competition law plainly has a role to play in regulating IP in some instances (e.g. *Joined Cases C-241/91 & C-242/91 RTE & ITP v Commission* [1995] ECR I-743). However the availability of competition law remedies should not be seen as a substitute for reforming copyright law in the respects detailed above.

Many of our submissions reflect the RSA’s Adelphi Charter on creativity, innovation and intellectual property [http://www.adelphicharter.org/adelphi\\_charter\\_document.asp](http://www.adelphicharter.org/adelphi_charter_document.asp) (viewed 18.4.06), in particular two of its principles:

3. The public interest requires a balance between the public domain and private rights. It also requires a balance between the free competition that is essential for economic vitality and the monopoly rights granted by intellectual property laws.

6. Copyright and patents must be limited in time and their terms must not extend beyond what is proportionate and necessary.

**Alan McAdams, MacRoberts**

**Chris Holland, The Law Society**

**Anne Storey, Baker & McKenzie**

**April 2006.**