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Best Practices, Fair Dealing & Digital Services

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With thanks for Research Assistance to
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and Conversation with Paul Whitney

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Best Practices, Fair Dealing & Digital Services

1. Digital Services in Libraries
2. Fair Dealing
3. "Best Practices"
4. Conclusion

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Converting Work to a Digital Format is a Copyright Holder's Right – and Transmitting it anywhere is also a Copyright Holder's Right...

(a) Converting a Work to a Digital Format is a Copyright Holder's Right:

- Robertson v. Thomson 2006 Supreme Court
- “Converting” a work to digital is an act of reproduction that only a Copyright Holder has the right to do
 - A copyright holder holds the same rights in a digital work as would be held in a work in traditional form.

Robertson et al v. Proquest et al

- Class Action Lawsuit in Ontario spring 2009
- **3rd party claims** being made by Proquest et al against journals, since the journals originally published the articles that Proquest et al later digitized
- Similar lawsuit in Quebec: **Electronic-Rights Defence Committee v. Southam et al**, certified class action Que SC April 15 2009

(b) Uploading or Downloading a Digital Work involves a Copyright Holder's Right:

SOCAN “Tariff 22” decision 2004 Supreme Court

- Posting a work on the net is authorizing its communication (ONE RIGHT) – and communication occurs when the item is retrieved by an end user (A SECOND RIGHT)
 - When a content provider intends the public to have access, that is a communication by telecommunication to the public (THAT SECOND RIGHT)...
- Canadian Wireless Telecommunications Association v. SOCAN* (Federal Court of Appeal)
- Transmission of ring tones to cellphone customers, even when each transmission is separately triggered by the customer, is a right of the copyright holder (AGAIN, that SECOND RIGHT)

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The policy makers creating Canada's Copyright Environment:

Government

Legislature

In Canada, the federal government, NO provincial interest – recent Bill C-61 (now dead)

Judiciary- since 2002 steadily confirming a large "public domain"

In Canada, Parliament has tried to limit the role of the courts: s. 89 Copyright Act

The Canadian Charter of Rights and Freedoms has never yet been applied directly to an intellectual property law situation (but the Supreme Court in the *Harvard Mouse* case in patent, *for example*, has indicated a willingness to apply it)

International Treaties

Are Perceived, once entered into, as limiting Domestic National Policy Options

19th Century **Co-ordination** (e.g. Berne, Paris)

1990's World Trade Agenda **Coercion** (e.g. NAFTA, TRIPS)

Are irrelevant to Charter concerns, are not binding on Canadian legislatures; non-compliance runs the risk of sanctions in the trade context

Intellectual Property Owners, Themselves

Governments -- As Crown Copyright Holders

Copyright holders working together through Canadian Collectives

Other individual copyright holders – both domestic and foreign

NOT USERS, except as lobbyists and electors influencing the legislative process...

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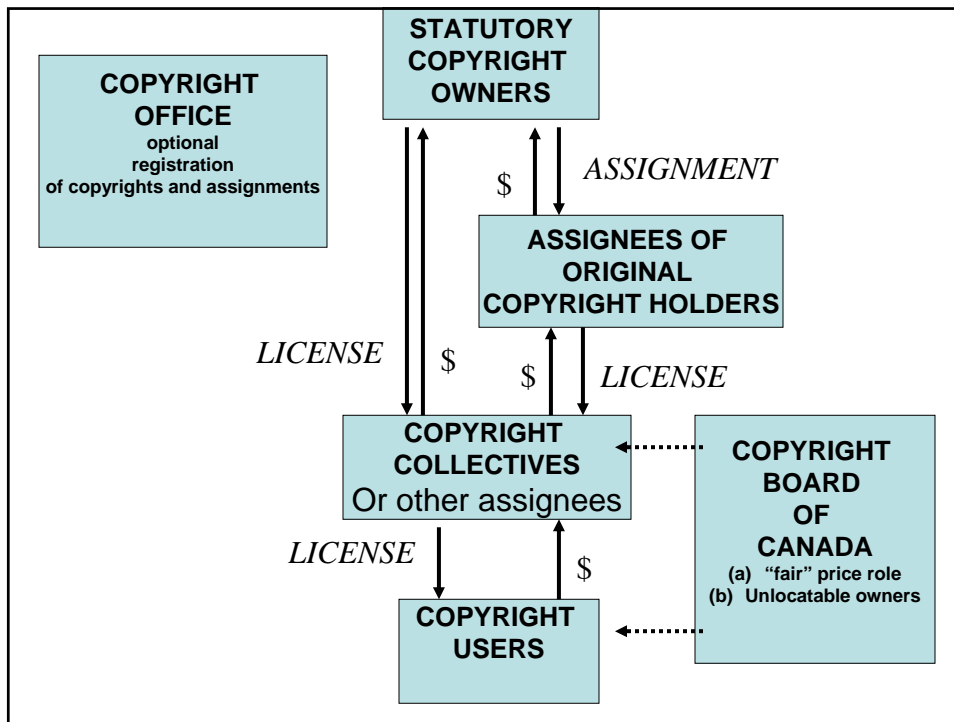
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Licenses and Permissions

It is the **copyright holder's prerogative**

- (a) to decide whether or not to grant permission (a license) to a requestor to make any particular use of a work (or other subject matter); and
- (b) if granting permission, to charge or not charge for that permission.

The charge for making use of materials is generally termed the **TARIFF** if it is an amount established by the Copyright Board of Canada in a situation involving a blanket license obtained from a copyright collective organization or a **ROYALTY** where an individual license is concerned.

Licenses under the Copyright Act are required to be in **writing** (s.13(4)) and so it is best to get all permissions in writing (although softened by the Supreme Court in *Robertson v. Thomson*).

If you use a work without obtaining permission – or without obtaining permission from the correct rightsholder – you are using the work **AT RISK** of a suit for copyright infringement.

Merely acknowledging source and author may satisfy the moral rights requirements of the Copyright Act but does **not** provide a defense to a lawsuit for copyright infringement.

How do libraries get permissions from copyright holders?

- Through permissions of the copyright holders given in advance (“open content licensing” or “creative commons”) (**FREE**) or
- Through permissions negotiated with copyright collectives in blanket licenses (where the right(s) you seek and the copyright holder of the work you are interested in are both represented) (**\$\$**) or
- Through permissions negotiated directly, from time to time, with copyright holders (**\$\$** or **FREE** –**choice of the copyright holder**).

Depending upon how the copyright holder makes the permissions available...

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The policy makers creating Canada's Copyright Act:

Government

1. Legislature

In Canada, the federal government, NO provincial interest – recent Bill C-61 (now dead)

In Canada, Parliament has tried to limit the role of the courts: s. 89 Copyright Act

- The Canadian Charter of Rights and Freedoms has never yet been applied directly by the Courts to an intellectual property law situation (but the Supreme Court in the *Harvard Mouse* case in patent, *for example*, has indicated a willingness to apply it) – testing government action against the Charter would be done by the courts...

2. Judiciary - since 2002 Supreme Court steadily confirming a large “public domain” (although the Robertson case in 2006 is not as bold as the earlier decisions)...

IN PARTICULAR – the “Law Society” case at the Supreme Court in 2004 – clarifies and confirms “FAIR DEALING” – especially for libraries, as it is a “library” case...

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The Law Society's Great Library (in Toronto) demonstrated the value of good library management practices:

1. The Great Library's **photocopy notice** was approved by the Supreme Court (para.46) as effective to protect the Library from the argument that it authorized patrons to infringe (AUTHORIZATION is itself a right of the Copyright holder and therefore, if it had authorized infringement, the Law Society would have been itself INFRINGING). This notice is much less elaborate than the one in the Regulations to the Copyright Act, for libraries, and therefore makes a Regulation-compliant notice now unnecessary if the Great Library model is used instead.

2. The Great Library's **Access Policy** was approved by the Supreme Court (para. 61-63) as evidence that the Law Society's practices and policy were "research-based and fair" and thus fell within the requirements to allow the library to rely upon its users' rights to FAIR DEALING.

• The Court said (para. 68) that to obtain the protection of FAIR DEALING the Law Society could either

- Establish that its practices & policies were research-based & fair **OR**
- Establish that all its individual dealings were research-based & fair

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A library has four choices with respect to copyright material:

1. Should it rely on its connection to "user rights," to provide "exempt" services to users, or on the philanthropy of rightsholders (Open Access)?
free
2. Should it buy **permissions** for uses of materials?
costly, temporary
3. Where user rights are not extensive enough and permissions are not available (at all, or, affordably), should it **curtail its uses** of copyright material?
less service
4. Should it use material without permission and **risk** enforcement by rightsholder(s)?
risk assessment

each **institution** must decide for itself...

The risk –

The COPYRIGHT ACT

Section 27 (1) It is an infringement of copyright for any person to do, without the consent of the owner of the copyright, anything that by this Act only the owner of the copyright has the right to do.

Section 28.1 Any act or omission that is contrary to any of the moral rights of the author of a work is, in the absence of consent by the author, an infringement of the moral rights.

Risk Assessment : Liability Issues

Implementation of a legal regime inevitably involves:

- enforcement and/or
- coercion and/or
- persuasion

Statutory enforcement is provided in 3 ways:

1. criminal sanctions
2. **provisions for copyright holders to sue for infringement (civil redress)**
 - **And Copyright Holders can ALSO sue for contract violations where the terms of a license agreement are not being met by the LIBRARY...**
3. administrative remedies – mandating Customs to seize infringing goods

In 1988 the criminal sanctions were dramatically beefed up –

- a demonstration to persuade
- In the summer of 2007, the **Criminal Code** was amended to prohibit the copying of movies by recording in movie theatres...new s.432

and certain streamlining of civil enforcement has occurred

- coercion through increasing the bargaining power of the copyright holder?

“Best Practices” as a Defence

Negligence is a branch of tort law, developed at common law by the courts...

In a lawsuit based on allegations that you have been negligent, showing that you are practicing to a level equal to or greater than your professional peers can establish that you have NOT been negligent...

Even in this branch of law, where a statute states a rule, evidence of customary practice will NOT exonerate someone who breaks that rule...

(Drewry v. Towns (1951), 2 WWR (NS) 217)

Copyright law is completely statute-based.

Although recent courts have relied on evidence of custom to establish who owns a particular copyright interest... (Robertson v. Thomson)... AND good management practices can provide evidence to satisfy elements of the FAIR DEALING test (the Law Society case, as above)

... courts have NOT permitted evidence of custom to establish a defence to allegations of copyright infringement... (Gribble v. Manitoba Free Press Ltd. [1932] 1 DLR 169)

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“Best Practices” in Copyright areas have **NO** legal effect:

In Hager v. ECW Press Ltd., the Federal Court Trial Division judge **doubted that “industry copyright can sanction breaches of copyright”** ([1998] 2 FC 287, para. 61-64).

Justice McLachlin (now Chief Justice of Canada) in Slumber-Magic Adjustable Bed Co. v. Sleep-King Adjustable Bed Co., when she was sitting as a judge of the Supreme Court of British Columbia, said **“even if the evidence has established such a practice [in the case she was deciding], it would not constitute reasonable grounds for concluding that there was no copyright in the plaintiff’s material (and presumably also for concluding that the use constituted fair dealing).”** ((1984) 3 CPR (3d) 81).

Even **Government does not have to abide by its own best practices guidelines:** there is no legally binding duty for the Commissioner of Patents to abide by the Patent Office’s own, published, best practices guide.

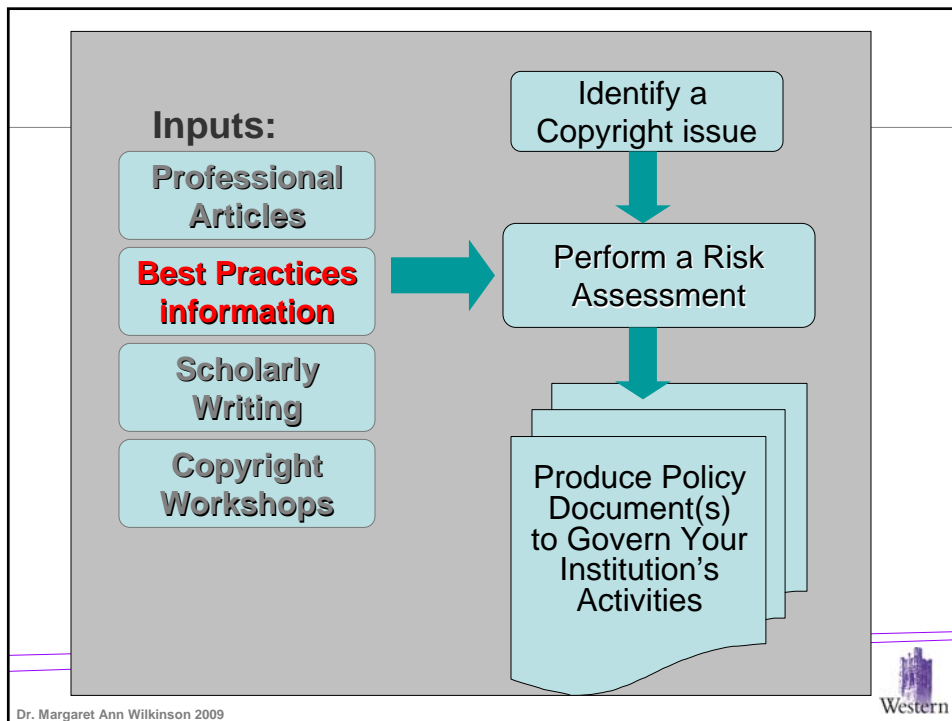
- See DBC Marine Safety Systems Ltd. v. Canada (Commissioner of Patents) (2007), 62 CPR(4th) 279, Federal Court)

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Potential Strategies....

...the Use of Best Practices

1. Rely on the library's connection with its users' FAIR DEALING rights, or on the philanthropy of rightsholders (Open Access) to provide **COST FREE** digital services.

1. **Best Practices** can help establish FAIR DEALING and **should**, at a minimum, comply with the *Great Library's* practices described and approved in the Law Society decision.

• **Being offered a license by a vendor should not stop the Library from using FAIR DEALING in appropriate cases (para.70 of the Law Society case)**

2. Buy often **COSTLY**, **TEMPORARY permissions** for uses of digital works.

2. **Best Practices** can help the Library to develop negotiating strategies to bargain with vendors about (a) the rights being purchased; (b) the term (length) of the rights; and (c) price.

EACH library has **four choices** with respect to digital material that is in copyright:

Potential Strategies....

...the Use of Best Practices

3. Where user rights are not extensive enough and where permissions are not available (at all, or, affordably), **CURTAIN USE** of copyright material and provide **LESS SERVICE; OR**

4. **USE MATERIAL WITHOUT PERMISSION AND RISK ENFORCEMENT** action enforcement by rightsholder(s).

4. The risk here **CANNOT** be minimized by adopting "Best Practices" in or across libraries.

EACH library has **four choices** with respect to digital material that is in copyright:

Resources:

- Wilkinson, Margaret Ann, “**Battleground between New and Old Orders: Control Conflicts between Copyright and Personal Data Protection,**” in Ysolde Gendreau (ed) New Intellectual Property Paradigm: The Canadian Experience [Queen Mary Studies in Intellectual Property series edited by Uma Suthersanen] (London: Edward Elgar, 2008) at 227-266.
- Wilkinson, Margaret Ann (with LIS doctoral student Natasha Gerolami) “**The Author as Agent of Information Policy: The Relationship between Economic and Moral Rights in Copyright,**” (2009) 26 *Government Information Quarterly* 321-332.
- Wilkinson, Margaret Ann “**Open Access and Fair Dealing: Philanthropy or Rights?**” in Mark Perry and Brian Fitzgerald (eds) Digital Copyright in a User-Generated World – forthcoming Irwin Law
- Wilkinson, Margaret Ann, “**Filtering the Flow from the Fountains of Knowledge: Access and Copyright in Education and Libraries**” – in Michael Geist, ed., In the Public Interest: The Future of Canadian Copyright Law (Toronto: Irwin Law, 2005) at 331-374.

Thank you!

