

DIGITISING THE EDWIN MORGAN SCRAPBOOKS:

ORPHAN WORKS: LAW

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1. INTRODUCTION

In recent years, successive governments have encouraged the cultural heritage sector to make their collections available online, enhancing access to meet user expectations in a digital, networked world. But, enabling online access to material that is still in copyright requires rights clearance, an activity widely perceived to be a barrier to the digitisation and dissemination of library and archive collections. There are a number of reasons for this:

- determining whether a work is in copyright or is public domain can be difficult
- the time and effort involved in identifying, locating and contacting known copyright owners can be prohibitive, especially when dealing with large numbers of works
- identifying and locating rights owners provides no guarantee of a response from that owner
- copyright owners cannot always be identified or located, leading to the so-called orphan works problem

The problem that orphan works pose for cultural heritage institutions in Europe and elsewhere is substantial, and it breeds uncertainty. The US Copyright Office recently summed up the consequences of the orphan works phenomenon in the following way:

[C]autious libraries, archives and museums may forgo socially beneficial use of orphan works, thereby excluding potentially important works from the public discourse and threatening to impoverish our national cultural heritage. Other types of socially beneficial uses of orphan works may be forestalled ... Filmmakers may avoid projects using orphan works as documentary source materials, businesses may not elect to commercially reissue lost works, and researchers may avoid potentially socially beneficial activities. According to one scholarly commentator, the orphan works problem “manifest[s] the greatest obstacle to copyright social utility in the developed world”. Hence, eliminating barriers to the use of orphan works would yield considerable societal benefits that would reverberate throughout the copyright system.²

Within this part of the resource we provide an overview of the legislative framework concerning the lawful use of orphan works in the UK, and critically assess the scope of

¹ We would like to thank Margaret Haig and Simone Schroff for taking the time to share their views on earlier drafts of this work; their comments and criticisms proved extremely helpful in shaping our final analysis of the demands of the diligent search requirement. The opinions stated herein are our own. The usual conditions apply.

² Pallante, M.A., *Orphan Works and Mass Digitization: A Report of the Register of Copyrights* (US Copyright Office, 2015), 38-39 (references omitted), available at: <http://copyright.gov/orphan/reports/orphan-works2015.pdf> (accessed: 12 December 2016).

both the European Orphan Works Directive (the Directive) and the UK Orphan Works Licensing Scheme (OWLS). We conclude by considering the concept of diligent search as it is currently defined within the UK copyright regime.

2. ORPHAN WORKS IN CONTEXT

Essentially, a copyright-protected work is an orphan work if the owner of the rights in the work cannot be identified or located by someone seeking permission to perform one of the exclusive rights provided for under the copyright regime (for example, publication or making the work available online).

There are two factors intrinsic to the copyright regime that contribute to work becoming orphaned.³ First, copyright does not require registration before work is protected, nor does a copyright notice have to be attached to a work. As soon as a qualifying work is created, it is automatically copyright-protected. This differs from other areas of intellectual property, such as patent law, where the acquisition of rights depends upon mandatory registration requirements. As a result, reliable information about the rights owner cannot always be easily or readily acquired for copyright works, particularly in the case of unpublished works.

The second factor concerns the very long duration of the copyright term. In the absence of a compulsory registration system, tracking a chain of title over a long period of time can become incredibly complicated. For example, the different economic rights provided by copyright might be separately assigned or licensed to third parties, or inherited by one or more heirs who may be unaware of their rights; they may have been assigned, licensed or inherited numerous times throughout the course of the copyright term. Alternatively, the corporate interests that own the rights might become bankrupt or simply go out of business. All of this can make identifying and locating the current copyright owner(s) extremely problematic.

3. ORPHAN WORKS AND THE 2039 RULE

The problem that the long duration of the copyright terms poses for orphan works within the UK is compounded by the '2039 rule'. The Copyright Designs and Patent Act 1988 (the CDPA) states that the duration of copyright in certain unpublished literary, dramatic, musical and artistic works, films and sound recordings, continues until 50 years from the end of the calendar year in which the 1988 Act came into force (that is, until 31 December 2039). Moreover, these provisions – collectively referred to as the 2039 rule – apply regardless of when the works in question were first created or when their authors died. Further details about the type of works that fall within the scope of the 2039 rule are set out in Schedule 1 of the CDPA.⁴

³ For relevant commentary, see van Gompel, S., 'Unlocking the potential of pre-existing content: how to address the issue of orphan works in Europe?' (2007) *International Review of Intellectual Property and Competition Law* 669-702.

⁴ The 2039 rule affects various categories of unpublished work, including: anonymous or pseudonymous literary, dramatic, musical or artistic works (other than photographs) (Sch.1, paragraph 12(3)(b)); literary, dramatic and musical works, engravings as well as photographs taken on or after 1 June 1957 (paragraph 12(4)); sound recordings made on or after 1 June 1957, and films which have not been registered under the Cinematograph Films Act 1938 (and subsequent legislation) (paragraph 12(5)); Crown copyright works (paragraph 41(3)(b), (4) and (5)).

So: imagine that someone discovers a previously unknown manuscript by William Shakespeare. Shakespeare died in 1616, a time before the existence of copyright law as we know it. Yet, because the 2039 rule applies, this newly discovered manuscript remains in copyright. Anyone wanting to publish or perform the play would have to seek permission from the copyright owners, and seeking permission would involve tracking the chain of title across a period of 400 years through numerous generations and testamentary bequests, a time-consuming and costly undertaking. That effort may be worth it if the document in question was indeed a newly discovered manuscript by Shakespeare, but for the unpublished records typically held in archive institutions who would want to take on such a task, and who has the time?

Nor is this hypothetical example so ridiculous. The National Archives has estimated that there are over 100 million unpublished archive items subject to 2039 rule in the UK.⁵ And while The National Archives may not house any unknown Shakespeare manuscripts, it does hold numerous unpublished private charters which are copyright-protected despite that they precede the introduction of copyright legislation to the UK by around 700 years. They even predate the introduction of the printing press into Britain by approximately 400 years.⁶ We think it is absurd that any work created before printing was a viable technology is protected by copyright; we do not think many others would disagree.

The government has acknowledged that the 2039 presents a significant problem for the use and reuse of historic materials. In October 2014, the government consulted on reforming the 2039 rule but ultimately decided not to take any action.⁷

4. POSSIBLE SOLUTIONS FOR ORPHAN WORKS

Different solutions have been proposed for dealing with the phenomenon of orphan works.⁸ Broadly speaking, they either require the prospective user to secure a licence to make use of the orphan work, or they do not. In relation to the latter, two main legislative solutions have been proposed: a statutory exception that allows for the use of an orphan work, and a limitation on liability rule. As for licensing-based solutions, again

⁵ Intellectual Property Office, *Consultation on reducing the duration of copyright in unpublished ("2039") works in accordance with section 170(2) of the Copyright, Designs and Patents Act 1988* (October 2014), Annex A, available at: <https://www.gov.uk/government/consultations/reducing-the-duration-of-copyright-in-certain-unpublished-works> (accessed: 01 March 2016).

⁶ BIS, *Enterprise and Regulatory Reform Act 2013: Policy Paper* (June 2013), 34, available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209896/bis-13-905-enterprise-and-regulatory-reform-act-2013-policy.pdf (accessed: 01 March 2016).

⁷ Intellectual Property Office, *Copyright Works: Seeking the Lost* (2014), available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/308372/consult-2014-lost.pdf (accessed: 01 March 2016).

⁸ See: Pallante, *Orphan Works and Mass Digitization*, 18-32; Favale, M., Kretschmer, M, and Mendis, D., 'The Treatment of Orphan Works under Copyright Law in Seven Jurisdictions: A comparative review of the underlying principles' (2013) CREATE Working Paper 2013/7 (July 2013), available here: <https://zenodo.org/record/8377/files/CREATE-Working-Paper-2013-07.pdf> (accessed: 01 March 2016); Vetulani, A., *The Problem of Orphan Works in the EU: An overview of legislative solutions and main actions in this field* (February 2008), 8-14, available at: http://ec.europa.eu/information_society/activities/digital_libraries/doc/reports_orphan/report_orphan_v2.pdf (accessed: 15 March 2013); de la Durantaye, K., 'Finding a Home for Orphans: Google Book Search and Orphan Works Law in the United States and Europe' (2010-2011) *Fordham Intellectual Property, Media and Entertainment Law Journal* 229-91, 247-58.

two basic models have been proposed: licensing by a public authority, or that collecting societies licence the use of orphan works in accordance with the principles of extended collective licensing. You can find out more about these different approaches here⁹ (see pp.18-32 and 39-72) and here¹⁰ (see pp.5-55).¹¹

In Europe and the UK, a statutory exception and licensing by a public authority have been chosen as the preferred models. Specifically, an approach based on a statutory exception has been adopted in Europe in the guise of the *Orphan Works Directive*,¹² one of the key initiatives of the European Commission's *Digital Agenda for Europe*.¹³ Within the UK, additional provision has been made by the introduction of an orphan works licensing scheme (hereafter: OWLS), following a recommendation of the *Hargreaves Review*.¹⁴ OWLS is the world's first online licensing scheme for orphan works, and is much broader in scope than the European Directive. And so, Britain has two options for enabling the use of orphan works: the orphan works exception that applies across the EU (implementing the Directive) and the UK-based orphan works licensing scheme. Both are discussed in further detail below.

5. THE ORPHAN WORKS DIRECTIVE: AN EXCEPTION FOR ORPHAN WORKS

The Orphan Works Directive obliges Member States to introduce a new exception to copyright that enables specific types of use of some categories of orphan works. In the UK the Directive was implemented by the *Copyright and Rights in Performances (Certain Permitted Uses of Orphan Works) Regulations 2014* (hereafter: the *Orphan Works Regulations*) which introduced s.44B to the CDPA (Permitted uses of orphan works) along with the accompanying Schedule ZA1. As the Directive has been implemented almost verbatim by the 2014 Regulations, in the commentary that follows we make reference primarily to the provisions of the Directive.

The relevant institutions ('beneficiary organisations') entitled to rely on this new exception are cultural heritage institutions, in particular: publicly accessible libraries, educational establishments and museums, archives, film or audio heritage institutions as well as public-service broadcasting organisations (A.1(1)). Institutions wishing to rely on the exception must maintain records of any searches it has carried out to try and identify or locate the copyright owner. They then report the results of their diligent searches, providing information about the work and any relevant rightholders, to the European Intellectual Property Office (EUIPO).¹⁵ EUIPO maintains a database of items

⁹ <http://copyright.gov/orphan/reports/orphan-works2015.pdf> (accessed: 24 February 2017)

¹⁰ <https://zenodo.org/record/8377/files/CREATE-Working-Paper-2013-07.pdf> (accessed: 24 February 2017)

¹¹ See also van Gompel, 678-99.

¹² *Directive 2012/28/EU of the European Parliament and of the Council of 25 October 2012 on certain permitted uses of orphan works*, available here: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:299:0005:0012:EN:PDF> (accessed: 12 December 2016).

¹³ *A Digital Agenda for Europe*, COM(2010) 245, available here: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52010DC0245&from=EN> (accessed: 12 December 2016).

¹⁴ Hargreaves, I., *Digital Opportunity: A Review of Intellectual Property and Growth* (May 2011), 8, 38-40, available here: <http://www.ipo.gov.uk/ipreview-finalreport.pdf> (accessed: 12 December 2016).

¹⁵ The EUIPO was formerly known as the Office for Harmonization in the Internal Market (OHIM). With the entry into force of Regulation No 2015/2424, on 23 March 2016 OHIM became the European Union Intellectual Property Office (EUIPO). As such, throughout the remainder of the commentary we will make reference to EUIPO.

registered as orphan works (available here¹⁶). In the first year of the Directive, only 10 organisations in the UK registered with EUIPO as a beneficiary organisation (and only 61 organisations across the EU).¹⁷ At the time of writing, EUIPO database contained just under 2000 entries (although there are many more embedded works on the database that this number would suggest).¹⁸

The type of material that falls within the scope of the exception includes: books, journals, newspapers, magazines and other writings, as well as phonograms, cinematographic and audiovisual works (A.1(2)). Under the Directive a work will be considered orphan if ‘none of the rightholders in [the work] is identified or, even if one or more of them is identified, none is located despite a *diligent search* for the rightholders having been carried out’ (A.2(1)) (emphasis added). However, the Directive does allow for *partially* orphan works. That is, where only some of the rightholders have been identified and located, the work may still be used under the Directive provided those known rightholders have granted permission for the use in question, and a diligent search has been carried out for the remaining owners.

The concept of diligent search is fundamental to the operation of both the Directive and OWLS. The Directive stipulates that a diligent search must be carried out for *each work prior to the use of that work*, and provides a list of sources for each category of work to be consulted as part of the diligent search process. These sources are set out in the Annex to the Directive. We consider the concept of diligent search in greater detail in section 7 below.

It is important to note that the diligent search need only be carried out in the Member State where the work was first published or broadcast (A.3).¹⁹ This is because the Directive operates a principle of the mutual recognition of orphan works throughout the single market. That is, a work that is considered an orphan work in one Member State is deemed to be an orphan work in all Member States (A.4). This principle of mutual recognition has the benefit of identifying one relevant jurisdiction in which the diligent search is carried out;²⁰ it also removes the need to duplicate the diligent search in another Member State.

Once a work has been designated orphan, a beneficiary organisation can take advantage of the uses permitted under Article 6(1). That is, they are permitted to use orphan works contained within their respective collections in the following ways:

- copying the work for the purposes of digitisation, indexing, cataloguing, preservation, restoration and making the work available (A.6(1)(b))

¹⁶ <https://oami.europa.eu/ohimportal/en/web/observatory/orphan-works-database> (accessed: 24 February 2017)

¹⁷ Intellectual Property Office, *Orphan Works: Review of the first twelve months* (2015), 16, available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/487209/orphan-works-annual-report.pdf (accessed: 16 December 2016).

¹⁸ On 27 November 2016 the database contained 1998 entries; see: euipo.europa.eu/orphanworks/#search/basic/all (accessed: 27 November 2016).

¹⁹ This is subject to an exception concerning cinematographic or audiovisual works when the producer of the work in question has his headquarters or habitual residence in a Member State: in this case, the diligent search must be carried out in the Member State of the producer’s headquarters or habitual residence; A.3(3). Moreover, if there is evidence to suggest that relevant information on rightholders is to be found in other countries, then relevant sources of information available in those other countries should also be consulted; A.3(4).

²⁰ Although this is subject to the proviso concerning joint authors from different Member States set out in A.3(3).

- communicating the work to the public, including making it available online (A.6(1)(a))

Article 6(2) makes clear that beneficiary organisations are only permitted to make use of orphan works in order to achieve aims related to their public interest missions, ‘in particular the preservation of, the restoration of, and the provision of cultural and educational access to works and phonograms contained in their collection’. However, the Directive does state that relevant organisations may generate revenue in their use of orphan works ‘for the exclusive purpose of covering their costs of digitising orphan works and making them available to the public’.

The fact that a work has been designated an orphan does not mean that it will always remain an orphan. Member States must ensure that the owner of a work considered to be orphan can put an end to the work’s orphan status (A.5). Within the UK, the legislation states that the rightholder may put an end to the orphan work status of a relevant work by providing evidence of her ownership of the rights in question to EUIPO or to the relevant body (the beneficiary organisation) which carried out the relevant diligent search in the first place.²¹

5.1. THE ORPHAN WORKS DIRECTIVE: SOME PRACTICAL GUIDANCE

The UK Intellectual Property Office has developed an *Eligibility Questionnaire* to help individuals and organisations determine whether they, and their proposed use of the orphan works, fall within the scope of the Directive; the questionnaire is available here²².

5.2. THE ORPHAN WORKS DIRECTIVE: ANALYSIS AND CRITIQUE

While many aspects of the Directive are to be welcomed, the scheme is unsatisfactory when considered from the perspective of cultural heritage institutions and particularly for the archive sector. In the commentary that follows we highlight three key issues: (i) the scope of works covered by the Directive; (ii) the Directive’s applicability to unpublished work; and, (iii) the requirement of fair compensation for reappearing rightholders.

5.2.1. SCOPE

As set out in A.1(2), the Directive applies *only* to the use of books, journals, newspapers, magazines and other writings, as well as phonograms, cinematographic and audiovisual works. Free-standing artistic works such as maps, drawings, plans, and photographs do not fall within remit of the Directive.²³ While estimates concerning the scale of the

²¹ See CDPA, Sch. ZA1 paragraph 7(2).

²² <https://www.orphanworkslicensing.service.gov.uk/eu-eligibility/answer/1> (accessed: 24 February 2017)

²³ The Directive does however provide that it extends to ‘works and other protected subject-matter that are embedded or incorporated in, or constitute an integral part of, the [works listed in A.1(2) and (3)]’; A.1(4).

problem of orphaned visual and artistic materials can vary quite dramatically,²⁴ the omission of these types of works is an obvious shortcoming.

This shortcoming is balanced to some extent by A.1(4) which states that the Directive also applies to works and other protected subject-matter embedded or incorporated in, or which constitute an integral part of, books, journals, newspapers, magazines and so on. That is, artistic works, such as photographs, embedded in works that fall within the scope of the Directive *also* fall within the scope of the Directive.

5.2.2. UNPUBLISHED WORKS

The extent to which the Directive applies to *unpublished works* is qualified in two ways that are very limiting. The Directive does apply to works and phonograms which have never been published or broadcast, so long as they 'have been made publicly accessible by [a relevant organisation] with the consent of the rightholders', and provided it is 'reasonable to assume that the rightholders would not oppose the uses referred to in Article 6' (A.1(3)). Taking the latter point first, a beneficiary organisation might rely on the Directive to digitise and make available online various unpublished works but only if it is reasonable to assume the unknown or untraceable owner would not object. In practice, though, when will it be reasonable to make such an assumption?

More significant is the prescription that unpublished material can only be digitised '*if it has been made publicly accessible with the consent of the rightholder*'. This poses a problem in relation to collections of records that include copyright material from third parties. Consider a collection of correspondence written by and to a noteworthy author. The unpublished letters written by the author may well have been originally deposited with the appropriate consent such that the material falls within the scope of the Directive. However, the letters written *to* the author will almost certainly not have been deposited with the kind of consent regarding access which the Directive requires. This severely limits the usefulness of the Directive when dealing with unpublished archive material.

5.2.3. COMPENSATION

With respect to owners who put an end to the orphan work status of their work under A.5, the Directive requires that Member States ensure they are provided with 'fair compensation' for the use that has been made of their work (A.6(5)). Within the UK, Schedule ZA1 paragraph 7(3) states that, following the (re)appearance of the owner, the

²⁴ For example, a survey conducted by CEPIC of the commercial picture archives specialising in historic material reported that 50% of archives answered that orphan works comprise less than 10% of their stock, whereas 20% of respondents estimated that orphan works comprise between 20-30% of their stock; Fodor, S., *Results of CEPIC Survey on Orphan Works in Historical Archives* (September 2011), 4, available [here](http://cepic.org/news/cepic_news/2011/10/results_cepic_survey_orphan_works_historical_archives): http://cepic.org/news/cepic_news/2011/10/results_cepic_survey_orphan_works_historical_archives. By contrast, in a study conducted by The National Archives in 2009 it was found that for works registered for copyright protection between 1883 and 1912, only 5% of the rights owners were traceable for 80,000 images still in copyright; cited in Vuopala, 30. For other estimates concerning orphaned visual material, see IPO, *Orphan Works, Impact Assessment No. BIS1063* (June 2012), 10, available [here](http://webarchive.nationalarchives.gov.uk/20140603093549/http://www.ipo.gov.uk/consult-ia-bis1063-20120702.pdf): <http://webarchive.nationalarchives.gov.uk/20140603093549/http://www.ipo.gov.uk/consult-ia-bis1063-20120702.pdf> (which, for example, reports that 25% of 500,000 pieces of artwork held by the National History Museum in London is orphan, as are 25% of the prints and drawings held in the London Metropolitan Archive).

organisation that is using or has used the work must, within a reasonable period of time, provide the owner with fair compensation for that use together with information on how the fair compensation has been calculated (para. 7(3)). So, the level of compensation is, initially at least, left to the beneficiary organisation to determine. In the case of disagreement between the organisation and the owner, either party has the right to apply to the Copyright Tribunal to determine the amount to be paid (para. 7(4)).

But what will constitute fair compensation? Could this be interpreted to mean ‘no compensation’? This seems unlikely. Future claims to fair compensation might be calculated in line with the licence fees which the IPO currently levy under OWLS (discussed below), at least in relation to the types of non-commercial use allowed for under the Directive. At present, those fees are set at 10 pence (£0.10) per work for non-commercial use for a period of seven years. However, reappearing owners may well dispute the fairness of a settlement on those terms, and the Copyright Tribunal is certainly not bound to follow the tariffs suggested by the IPO.

In this respect, reliance on the exception scheme involves something of a gamble: it provides an opportunity to make use of the work today, set against the uncertain financial commitment that may be triggered by a reappearing owner(s) in the future. This inherent uncertainty about unspecified future costs may be one of the reasons why only 10 UK-based institutions registered as a beneficiary organisation to avail of the Directive in its first year of operation.

6. THE UK ORPHAN WORKS LICENSING SCHEME (OWLS)

When the *Enterprise and Regulatory Reform Act 2013* was passed, it included provisions to enable the government to establish an independent authorising body to grant licences to make use of orphan works within the UK (s.77). The 2013 Act was followed by the *Copyright and Rights in Performances (Licensing of Orphan Works) Regulations 2014* (hereafter: the *OWLS Regulations*) setting out the scope and detail of the Orphan Works Licensing Scheme (OWLS), and appointing the Intellectual Property Office (IPO) as the relevant authorising body. In turn, the IPO has established an *Orphan Works Register*, which can be accessed here²⁵.

OWLS is much broader in scope than the European Directive. For example:

- while the scheme adopts the same definition of an orphan work as the Directive, it applies to *all types of copyright work* including free-standing artistic works (photographs, drawings, maps, and so on)
- *anyone* can apply for a licence under OWLS, not just libraries, educational establishments, museums and archives²⁶
- OWLS enables both commercial and non-commercial uses of orphan works
- under OWLS the IPO will grant licences for all types of commercial or non-commercial activity, and not just those activities permitted under the Directive

²⁵ <https://www.orphanworkslicensing.service.gov.uk/view-register> (accessed: 24 February 2017)

²⁶ This is, however, subject to one exception: the 2014 Regulations set out that ‘[a]n orphan works licence may not be granted to a person authorised to grant licences’ (reg.6(4)).

In short, whereas the Directive enables the use of certain orphan works by certain organisations for certain purposes (across the EU), OWLS enables the use of *all orphan works by anyone for any purpose* (but only within the UK).

We can summarise the different nature and scope of the orphan works schemes provided for under the Directive and OWLS as follows:

	DIRECTIVE (EU)	OWLS (UK)
NATURE OF THE SCHEME	Copyright exception	Non-exclusive licence
WHO CAN USE	Cultural and educational institutions	Anyone
WHAT WORK CAN BE USED	Books, journals, newspapers, magazine and other writings, phonograms, cinematographic and audiovisual work	Everything
HOW CAN THE WORK BE USED	Copying to digitise, index, catalogue and preserve Communicate to the public, including making available online	Anything
CONDITIONS	Diligent search Non-commercial use only	Diligent search Application fee (upfront) & licence fee

Table 1: Nature and scope of the orphan works schemes

It should be remembered, of course, that the schemes are not mutually exclusive; it is perfectly acceptable to use both the Directive and OWLS within the same digitisation initiative, choosing the more appropriate route for each type of work to be digitised. Consider, for example, a collection of letters sent to and from soldiers on the frontline during the First World War, one of which contains a photograph. While the letters may be eligible to make available online under the Directive, the photograph will not: digitising the collection may well involve engaging with both regimes.

6.1. OWLS: SOME PRACTICAL GUIDANCE

As with the Directive, applicants under OWLS must conduct a diligent search in relation to each work for which they are seeking a licence. Crucially, the search undertaken should be properly documented. As part of the licensing process, applicants need to be able to clearly demonstrate that their search was diligent. Indeed, the IPO has produced a diligent search check list that must be completed (for each relevant rightholder that cannot be identified or located) and submitted with the licence application.

In addition to diligent search, applicants must also pay an application fee and a licence fee. The application fee is paid when the application is submitted, and is determined by the number of works for which a licence is sought (for example, to make an application to licence the use of one orphan work, the fee is £20; for 10 works, the fee is £40; for 20 works, it is £60). The maximum number of works that can be covered in a single application is 30 (for a fee of £80).

The licence fee is payable once an application has been successful, and the fee will vary depending on the type of orphan work and the proposed use. For example, while licence fees for commercial use are calculated in accordance with current market rates (wherever possible), the licence fee for non-commercial use is significantly lower. Indeed, the IPO have set a licence fee of 10 pence (£0.10) per work for all non-commercial uses.²⁷ Moreover, it is possible to check how much a licence fee will cost *before* making a formal application, which helps with securing appropriate funding and/or changing the scope of the application to ensure affordability. VAT is payable on licence fees, but not on the application fee.

Licence fees paid under the scheme are held by the IPO on behalf of owners that are unknown or cannot be located. Should the owner reappear within eight years following the grant of the licence, the IPO will pay over any licence fee that was collected in respect of that work. After eight years, the owner no longer has a right to reclaim the relevant fee although the IPO can, at its discretion, make payment if there are good reasons for so doing. Any unclaimed licence fees will be used to offset the costs of administering OWLS; should there be a surplus it will be applied to fund social, cultural and educational activities. At present, the IPO have indicated that the decision-making process concerning the use of surplus funds will be established 'closer to the time' (that is, at some point within the first eight years of launching OWLS).²⁸

All licences granted under OWLS are non-exclusive (meaning that the orphan work in question remains available for others to license and use) and are only valid for a term not exceeding seven years (reg.6(1)(b)). Thereafter, a new application must be submitted to enable the continued use of the work.

The IPO may refuse to grant a licence if they consider that a proposed use or adaptation of the work is not appropriate in the circumstances of the case, including whether the proposed adaptation constitutes a derogatory treatment of the work (or on any other reasonable ground). Should a licence be refused, the applicant can appeal the IPO's decision to the Copyright Tribunal.

During the first year of the scheme, 48 applications were made in relation to nearly 300 individual orphan works. Of these works, 79% concerned still images (typically, photographs). Application fees collected over this period totalled £1492, and 27 licences were granted to make use of 247 works, generating revenue of £8,001.97 (excluding VAT). Seven of the licences were granted for commercial use (in relation to 35 works), with the remaining 20 concerned with non-commercial use (in relation to 212 works). The revenue generated by non-commercial licences was £21.20 (excluding VAT). It is also worth noting that during this period no licences were refused by the IPO, and no rightholders reappeared in relation to licensed orphan works. However, the IPO have reported that rightholders *have been identified* by applicants while carrying out the required diligent search making use of the sources detailed in the IPO's guidelines.

²⁷ Intellectual Property Office, *Orphan Works Licensing Scheme: Overview for Applicants* (October 2014), 2.32, available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/450649/Orphan_Works_Licensing_Scheme_Overview_for_Applicants.pdf (accessed: 01 March 2016).

²⁸ Intellectual Property Office, *Orphan Works: Review of the first twelve months*, 4.

General guidance as to the operation of the licensing scheme is available on the Government website.²⁹

6.2. OWLS: ANALYSIS AND CRITIQUE

In many respects, OWLS represents a much more progressive and enabling regime than the exception provided under the Directive. That said, there are issues specific to OWLS that are worth comment; they concern: (i) the appropriateness of state-sponsored licensing; (ii) time-limited licences; and, (iii) the implications of commodifying all archive and heritage collections.

6.2.1. STATE-SPONSORED LICENSING

Some have questioned whether state-sponsored licensing is an appropriate mechanism at all, with the US Copyright Office rejecting this model as ‘highly inefficient’.³⁰ Nevertheless, licensing regimes have been implemented in Canada, South Korea, Japan, India and Hungary.³¹ Of these, the Canadian system is longest established, dating to 1988. However, since that time the Canadian Copyright Board has issued relatively few licences regarding orphan works, which has led a number of commentators to criticise the Canadian scheme for being administratively burdensome and for delivering little in the way of actual public benefit.³² It may be that OWLS will prove to be more successful. For one thing, it enables the use of a much greater variety of orphan works than the Canadian scheme,³³ which may encourage greater engagement with the scheme. However, initial figures regarding the uptake of OWLS (quoted above) are not particularly impressive or encouraging.

6.2.2. SEVEN-YEAR LICENCES

The licences that can be granted under OWLS are capped at seven years, after which a new application must be made along with a new diligent search if the licensee wants to continue making use of the work. For cultural heritage institutions seeking to digitise their collections to enable free public access, the prospect of having to renew the orphan works licence every seven years may well deter applications to the scheme, especially for medium- and large-scale digitisation initiatives.

²⁹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/450649/Orphan_Works_Licensing_Scheme_Overview_for_Applicants.pdf (accessed: 24 February 2017)

³⁰ Pallante, *Orphan Works and Mass Digitization*, 48.

³¹ See, for example, Favale, M. et al, *Copyright and the Regulation of Orphan Works*.

³² See, for example, British Screen Advisory Council, *Copyright and Orphan Works: A Paper Prepared for the Gowers Review by the British Screen Advisory Council* (2006), 11, available here: http://www.bsac.uk.com/files/copyright_orphan_works_paper_prepared_for_gowers_2006.pdf (accessed: 12 March 2016), as well as the various criticisms considered in de Beer and Bouchard, 9-31. For further detail on the Canadian regime, see de Beer, J., and Bouchard, M., *Canada’s “Orphan Works” Regime: Unlocatable Copyright Owners and the Copyright Board* (December 2009), available here: <http://www.cb-cda.gc.ca/about-apropos/2010-11-19-newstudy.pdf> (accessed: 12 December 2016).

³³ For example, in Canada, licences are only available in relation to *published* works and sound recordings, as well as fixed communication signals and performances.

6.2.3. COMMODYING ORPHAN WORKS

Whereas the transaction costs of engaging in diligent search (discussed below) and the need to renew licences every seven years may prove to be deterrents, the actual cost of the licence fee itself for non-commercial use is unlikely to be off-putting. In setting the licence fee at 10 pence (£0.10) per work for all non-commercial use, the IPO have strived to make licensing affordable while maintaining their commitment to ensuring that reappearing owners would receive some financial recompense for the use of their work.

But, is it appropriate to commercialise orphan works in this way at all?, and particularly when considering orphans in archive collections? The records typically held in archives, have social, cultural, academic and historic significance although they were rarely created with the intention of commercial exploitation, and only a small proportion of these works have any *intrinsic* commercial value. Indeed, it is the organic nature of the records – the fact that they *evidence* individual and business actions and transactions – that makes them reliable, authentic and trustworthy, and so appropriate for inclusion within an archive collection. Should this material be subject to any form of commercialisation, however small the fee? And should institutions tasked with the cost of preserving these collections in the public good in perpetuity be subject to such fees?

7. UNDERSTANDING DILIGENT SEARCH

As mentioned above, the concept of diligent search is fundamental to the operation of both the Directive and OWLS, and must be carried out for each work prior to the use of that work. But what exactly does diligent search require?, and are the demands of diligent search the same when relying on the Directive or applying for a licence through OWLS? In this section, we consider how the concept of diligent search has been defined in UK copyright law, as well as the prescribed and recommended sources that one should consider when conducting a diligent search.

7.1. HOW DILIGENT IS DILIGENT?

Within the UK, the concept of diligent search has been defined differently in the *Orphan Works Regulations* and the *OWLS Regulations*, a matter that has attracted no academic or practitioner attention to date of which we are aware.

The *Orphan Works Regulations* provide that for the purposes of establishing whether a relevant work is an orphan work ‘a relevant body must ensure that a diligent search is carried out in good faith in respect of the work by consulting the appropriate sources for the category of the work in question’ (Schedule ZA1, 5(1)). Compare the wording of the OWLS Regulations: it states that before applying for a licence, a licensee shall carry out a diligent search appropriate to the orphan work in question, and that ‘[a] diligent search must comprise a reasonable search of the relevant sources to identify and locate the right holders of the relevant work’.

So, whereas the search to be conducted out in accordance with the exception must be ‘carried out in *good faith*’, the search required to satisfy the licensing scheme must constitute a ‘*reasonable* search of the relevant sources’. Should we read these different standards – reasonableness and good faith – as synonyms within this regulatory landscape? It is not entirely clear. In relation to the exception, the requirement of a good

faith diligent search is clearly articulated within the Directive.³⁴ But why not simply transpose the same good faith standard into the OWLS regime? Put another way, why deploy different language if a different standard was not intended? And yet, both are tethered to the same ‘minimum’ list of sources to be consulted.

One explanation might lie in the fact that while ‘good faith’ as a legal term of art is familiar to continental lawyers it has tended to cause interpretive difficulties within common law systems such as the UK.³⁵ That said, ‘good faith’ is not entirely alien to British law or jurisprudence: it is a concept employed in consumer rights legislation, insurance law, and in relation to the actions of fiduciaries such as an agent, a solicitor, or the director of a company.³⁶ With consumer rights, for example, the law provides that any unfair term of a consumer contract will not bind the consumer, and defines a term to be unfair if ‘contrary to the requirement of good faith, it causes a significant imbalance in the parties’ rights and obligations’ under the contract.³⁷ And in this context, Lord Bingham has described acting in good faith as engaging in ‘fair and open dealing’.³⁸ Still, for lawyers trained in the common law system the concept has a vagueness which, from a legal perspective, can seem unsettling.³⁹ This may explain why the legislature has opted for the more familiar concept of reasonableness when implementing the UK-specific licensing scheme, while remaining faithful (literally) to the good faith standard set out in the Directive. But that still begs the question: when considering diligent search, are these standards one and the same?

Consider the concept of reasonableness within the context of copyright law: it can be found littered throughout the CDPA. The Act refers to making a ‘reasonable inquiry’ concerning the identity of the author of a work (s.9(5)), having ‘reasonable grounds’ for belief (s.25(1)), the ‘reasonable terms’ of a contract (s.31A), giving ‘reasonable notice’ (s.31BB), a ‘reasonable proportion’ of a work (s.42A), making a ‘reasonable’ assumption (s.57), reading a ‘reasonable extract’ (s.59), paying a ‘reasonable royalty’ (s.66), making a determination that is ‘reasonable in the circumstances’ (s.73A), providing a ‘reasonable form of identification’ (s.77(8)), exercising ‘reasonable diligence’ (ss.99 and 113),⁴⁰ using such ‘reasonable force as is necessary’ (s.109), waiting a ‘reasonable time’ (s.121) or a ‘reasonable period’ (s.135B), making ‘reasonable payments’ (s.133), the concept of a ‘reasonable condition’ (s.135C), and so on. What constitutes a reasonable

³⁴ A.3(1), and paragraph 13.

³⁵ Stannard, J.E., *Delay in the Performance of Contractual Obligations* (Oxford: OUP, 2007), 106.

³⁶ Virgo writes: ‘A ‘fiduciary’ is essentially somebody, person A, who is in a relationship with another person, B, in which B is entitled to expect that A will act either in B’s best interests or in their joint interests, to the exclusion of A’s own interest’. Virgo, G., *The Principles of Equity and Trusts*, 2nd ed (Oxford: OUP, 2016), 498.

³⁷ *Consumer Rights Act 2015*, s.62(1)(4). In effect, this replicates the previous law as set out in the 1999 *Unfair Terms in Consumer Contracts Regulations* and, before that, the 1994 *Unfair Terms in Consumer Contracts Regulations*.

³⁸ *Director-General of Fair Trading v. First National Bank plc* [2001] UKHL 52 (Lord Bingham).

³⁹ In general, see Clarke, M., ‘The Common Law of Contract in 1993: Is There a General Doctrine of Good Faith?’ (1993) *Hong Kong Law Journal* 318-41.

⁴⁰ The CDPA provides that in certain circumstances someone can make an application for the delivery up of infringing materials after the end of the normal period of six years from the date on which the infringing materials were made; this is permissible when, for example, if during the relevant six year period the copyright owner was prevented by fraud or concealment from discovering the facts entitling him to apply for an order, and he could not with reasonable diligence have discovered those facts (s.113(2)(b)).

condition, amount, time or payment will depend on the facts at hand. For our purposes, making a ‘reasonable inquiry’ or exercising ‘reasonable diligence’ seem particularly pertinent, although neither concept has attracted much consideration or attention either in the standard practitioner treatises or before the courts. In relation to the concept of ‘fair dealing’, Lord Justice Aldous has observed that ‘the court must judge the fairness [of the use] by the objective standard of whether a fair minded and honest person would have dealt with the copyright work [in the manner that the defendant did]’.⁴¹ If pressed, when dealing with reasonable inquiry or diligence, the courts would almost certainly default to a similar objective standard: what steps would the honest and fair minded person think it is reasonable to take in the same circumstances?

With good faith, however, there are different ways to frame the appropriate standard. It might be determined objectively, as with the concept of reasonableness; here, the terms may indeed be synonyms. On the other hand, one might interpret it to mean no more than *an absence of bad faith or improper conduct* on the part of the person carrying out the diligent search, rather than imposing a more positive, substantive obligation (what would the reasonable person have done?). That is: so long as the researcher genuinely believes they have conducted a sufficient search and have not knowingly or intentionally omitted to check some relevant or obvious sources then the duty is discharged. Much will depend, however, on what constitutes a relevant source and when it should be consulted. We turn to these issues next.

7.2. WHAT ARE THE RELEVANT SOURCES?

With respect to the sources to be consulted when conducting a diligent search, in relation to the exception, Article 3(2) of the Directive lays down a clear direction to each Member State as follows: ‘The sources that are appropriate for each category of works or phonogram in question shall be determined by the Member State, in consultation with rightholders and users’; that is, each Member State has a responsibility to outline which sources are appropriate to consult for each category of work.

The Directive continues that the list of sources shall include ‘at least the relevant sources listed in the Annex’. In the interests of clarity, we reproduce the text of the Annex to the Directive below.

Not surprisingly, different jurisdictions have taken different approaches when discharging their obligation under A.3(2). The Netherlands, for example, has simply transposed the list of sources set out in the Annex to the Directive into the Dutch copyright regime, an approach that has been described as ‘consciously hands-off’.⁴²

Other jurisdictions have chosen to incorporate a more complete list of sources within their enabling legislation. Article 61a of the German Copyright Act outlines the diligent search obligation in Germany stating that ‘at the very least the sources set out in the Annex [to this Act] must be consulted’. The Annex to the German Copyright Act is based upon the Annex to the Directive, but provides additional detail and direction. For

⁴¹ *Hyde Park Residence Ltd v. Yelland* [2001] Ch 143, 158.

⁴² Schroff, S., Favale, M., and Bertoni, A., ‘The Impossible Quest: Problems with Diligent Search for Orphan Works’ (*forthcoming*; manuscript copy on file with the author). About the Dutch law, the authors note as follows: ‘The letter of the Directive has been transposed into national law. In fact, the Government Decree with which Diligent Search sources were transposed into Dutch legislation is essentially a translation of the OWD Annex.’

example, in relation to audio-visual works whereas the Directive identifies ‘databases of film or audio heritage institutions and national libraries’ as relevant, the German Annex refers to the following:

The databases of institutions and national libraries active in the field of cinematographic and audio heritage, in particular the Association of Film Archives, the Federal Archive, the Foundation of German Film Archives, the German Film Institute (www.filmportal.de database and catalogue), the DEFA Foundation and the Friedrich Wilhelm Murnau Foundation, and the catalogues of the State Libraries in Berlin and Munich.

Similarly, whereas the Directive suggests ‘databases of other relevant associations representing a specific category of rightholders’, the German Annex clarifies as follows: ‘such as associations of film directors, screenwriters, film music composers, composers, theatre publishing houses, theatre and opera associations’.⁴³ The German Annex also includes a series of directions regarding unpublished works, which are not formally addressed within the Directive guidelines. Diligent search for unpublished material in Germany requires consulting with the current and original owners of the work, the National Registers of Estates, finding aids in the national archives, museum inventory lists, as well as credit agencies and telephone books.⁴⁴

The approach adopted in the UK follows neither the Dutch nor the German model. We discuss it in detail in the next section.

RELEVANT WORK	SOURCES TO BE SEARCHED
1. Published books	<p>Legal deposit, library catalogues and authority files maintained by libraries and other institutions</p> <p>The publishers’ and authors’ associations in the country in question</p> <p>Existing databases and registries, WATCH (Writers, Artists and their Copyright Holders), the ISBN (International Standard Book Number) and databases listing books in print</p> <p>The databases of the relevant collecting societies, including reproduction rights organisations</p> <p>Sources that integrate multiple databases and registries, including VIAF (Virtual International Authority Files) and ARROW (Accessible Registries of Rights information and Orphan Works)</p>
2. Newspapers, magazines, journals and periodicals	<p>The ISSN (International Standard Serial Number) for periodical publications</p> <p>Indexes and catalogues from library holdings and collections</p> <p>Legal deposit</p> <p>The publishers’ associations and the authors’ and journalists’ associations in the country in question</p> <p>The databases of relevant collecting societies including reproduction</p>

⁴³ Annex (to Article 61a): Sources for a diligent search. These provisions, in translation, are taken from an English language version of the German Copyright Act available here: https://www.gesetze-im-internet.de/englisch_urhg/index.html#gl_p0982 (accessed: 27 November 2016).

⁴⁴ *Ibid.*

	rights organisations
3. Visual works, including fine art, photography, illustration ... and other such works contained in books, journals, newspapers and magazines or other works	<p>The sources referred to in paragraphs 1 and 2</p> <p>The databases of the relevant collecting societies, in particular for visual arts, and including reproduction rights organisations</p> <p>The databases of picture agencies, where applicable</p>
4. Audiovisual works and sound recordings	<p>Legal deposit</p> <p>The producers' associations in the country in question</p> <p>Databases of film or audio heritage institutions and national libraries</p> <p>Databases with relevant standards and identifiers such as ISAN (International Standard Audiovisual Number) for audiovisual material, ISWC (International Standard Music Work Code) for musical works and IRSC (International Standard Recording Code) for sound recordings</p> <p>The databases of the relevant collecting societies, in particular for authors, performers, sound recording producers and audiovisual producers</p> <p>Credits and other information appearing on the work's packaging</p> <p>Databases of other relevant associations representing a specific category of rightholders</p>

Table 2: Annex to the Directive with list of relevant sources

7.3. IPO GUIDANCE ON DILIGENT SEARCH

Within the UK, the sources listed in the Annex to the Directive are replicated verbatim in the *Orphan Works Regulations* (see Schedule ZA1, Part 2) with some additional guidance regarding unpublished works.⁴⁵ As with the Directive, these set out the 'minimum' 'appropriate sources' to be consulted for each category of work when carrying out a good faith search. Moreover, the same is true for the *OWLS Regulations*.⁴⁶

In addition, however, the UK Intellectual Property Office has produced three sets of guidelines relating to (i) film, music and sound-related orphan works (September 2016), (ii) literary orphan works (November 2015), and (iii) still visual art orphans (November 2015).⁴⁷ These guidelines are 'primarily intended' for those wanting to make an application through OWLS, although each does state that they 'may also be of help to

⁴⁵ The Regulations recommend consulting 'Those sources that are listed in paragraphs 1 to 4 above which are appropriate to a relevant work which is unpublished'.

⁴⁶ The *OWLS Regulations* set out that the relevant sources to consult as part of a reasonable search for the relevant work must 'as a minimum' include 'any relevant sources listed for that category of work in Part 2 of Schedule ZA1': that is, the same sources listed in the *Orphan Works Regulations*.

⁴⁷ Under both the *Orphan Works Regulations* and the *OWLS Regulations* the Intellectual Property Office are empowered to produce on the appropriate sources to be consulted when conducting a diligent search. These guidelines are currently available [here](#). The IPO is committed to reviewing and revising these guidelines as appropriate, and indeed they have already been updated since OWLS was launched.

those conducting a diligent search in relation to the EU Directive'.⁴⁸ Each set of guidelines is accompanied by a Diligent Search checklist: these checklists set out, simply and unambiguously, the key organisations where inquiries regarding orphan works might be made, although they are not intended to be exhaustive. Taken together, the guidelines and the checklists provide very useful information and signposting when undertaking a diligent search. However, at no point do these guidance documents address either the concept of a 'reasonable' diligent search or a 'good faith' diligent search, or indeed the relationship between the two. The discussion is framed solely in terms of diligence: that is, 'applicants will need to show that their search was indeed diligent',⁴⁹ but not that the diligent search must constitute a *reasonable* search.

Nevertheless, the recommended sources are structured in a way that map onto the Directive Annex, while also providing additional suggestions to help with diligent search. Consider, for example, the list of sources set out in the Annex to the Directive regarding published books:

1. Published books	<p>Legal deposit, library catalogues and authority files maintained by libraries and other institutions</p> <p>The publishers' and authors' associations in the country in question</p> <p>Existing databases and registries, watch (writers, artists and their copyright holders), the ISBN (International Standard Book Number) and databases listing books in print</p> <p>The databases of the relevant collecting societies, including reproduction rights organisations</p> <p>Sources that integrate multiple databases and registries, including VIAF (Virtual International Authority Files) and ARROW (Accessible Registries of Rights information and Orphan Works)</p>
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Table 3: List of sources for published books from the Annex to the Directive

In relation to the five different categories of sources listed in the Annex, the IPO guidelines elaborate as follows:

Legal deposit, library catalogues and authority files maintained by libraries and other institutions	<p>Check the British Library catalogue. In addition, applicants might also check the following libraries:</p> <ul style="list-style-type: none"> ▪ The Bodleian Library, University of Oxford ▪ Cambridge University ▪ National Library of Scotland ▪ The National Library of Wales
The publishers' and authors' associations in the country in question	<p>Information on a right holder might be found with:</p> <ul style="list-style-type: none"> ▪ The Society of Authors

⁴⁸ See, for example, Intellectual Property Office, *Orphan works diligent search guidance for applicants: Literary Works* (November 2015), 1, available here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/474401/orphan-works-literary-works.pdf (accessed: 12 December 2016).

⁴⁹ *Ibid.*, 2.

	<ul style="list-style-type: none"> ▪ The Writers' Guild of Great Britain ▪ The Association of Author's Agents ▪ The Publishers' Association
Existing databases and registries, watch, the ISBN (International Standard Book Number) and databases listing books in print	<p>The watch database might provide contact details for the author, the author's agent or literary executor</p> <p>The ISBN applies to books published after 1967. It identifies the title to which a work is assigned and provides details of the publisher</p>
The databases of the relevant collecting societies, including reproduction rights organisations	<p>Check the databases of all the relevant collecting societies, as an author might only be registered with one. Recommended databases for consultation include:</p> <ul style="list-style-type: none"> ▪ Authors' Licensing and Collecting Society ▪ The Publishers' Licensing Society ▪ The Copyright Licensing Agency ▪ The Public Lending Right Register
Sources that integrate multiple databases and registries, including VIAF and ARROW (Accessible Registries of Rights information and Orphan Works)	<p>There are sources that will hold information from multiple sources. These include VIAF (Virtual International Authority Files) which combines multiple name authority files into a single online computer centre.⁵⁰</p>

Table 4: Sources from the IPO Guidelines

That is, when conducting a search against the categories of sources listed in the Annex to the Directive, the IPO recommend 16 relevant sources for consideration; for ease of reference, let's call these the *core list of recommended sources* (or the *core sources*). As noted above, the guidelines carry the general caveat that they are 'primarily intended' for those planning to make an application through OWLS. But, a common-sense interpretation would be to read these core sources as a *de facto* means by which the government is providing additional guidance on relevant sources under Article 3(2) of the Directive. Put simply, within the UK, these would appear to be the *appropriate* sources to consult when conducting a good faith diligent search for a work that falls within the scope of the Directive. Certainly, to ignore the potential relevance of these sources when conducting a search under the Directive would run the risk of compromising the good faith nature of that search.

Thereafter, the guidelines for published books set out an additional 22 sources that might be helpful in locating the owner of the rights in the work; let's refer to these as the *additional sources*. These include a mixture of very specific suggestions (for example, the Firms Out of Business database and the Companies House Register) as well as more generic advice (for example, 'general internet searching').⁵¹ Again, these are not

⁵⁰ Note, although ARROW is expressly referred to within the Annex to the Database, the IPO guidelines make no reference to it.

⁵¹ The various additional categories of sources are listed as follows: Credits and other information appearing on the work; FOB (Firms Out of Business) database; Companies House; The provenance of a works (i.e. where it was found); General internet searching; Records of literary agents; International Standard Text Code (ICTS); Copac; Author and book info database; Poetry library; International Standard Name Identifier (ISNI) database; Books in Print database; Copyright Hub; Academic and scientific databases; Online databases and catalogues; Digitised newspaper archives; Genealogy websites; Wills -

presented as an authoritative or exhaustive list of sources. But, in presenting a set of additional sources that appear to lie outside the scope of the minimum requirements prescribed by the Annex to the Directive, perhaps we can detect an attempt to differentiate between the standard required of a good faith diligent search (under the Directive) and a reasonable search (under OWLS). Intuitively, logically, if a different standard of care is implied, then the way the IPO have structured and presented the range of sources within their guidelines may represent one way in which this different standard is realised and articulated, albeit tacitly. That is, when conducting a reasonable diligent search to make use of a work in accordance with a state-sponsored licensing scheme greater efforts are required (perhaps, *should* be required) than when conducting a good faith diligent search to enable access to orphan material within the context of a cultural heritage institution delivering on its non-commercial public interest mission. Or, more simply: the standard of reasonableness appears to be set at a higher threshold than that of good faith.

7.4. DOES DILIGENT MEAN EXHAUSTIVE?

The Directive requires that a diligent search be carried out in relation to each work ‘by consulting the appropriate sources for the category of works ... in question’ (Article 3(1)). The sources that are appropriate are to be determined by each Member State, but shall include at least the relevant sources listed in the Annex (Article 3(2)). But must every source listed as a relevant source be consulted in relation to each type of orphan work?, or might an archivist or librarian decide that certain of the relevant sources are in fact irrelevant in the circumstances and still be acting in good faith?

Consider, for example, an archivist conducting a search for the copyright owner of an extract from a newspaper article written by an unnamed author in the mid-20th century and published in an unknown newspaper. There exists no contextual metadata that might assist in the diligent search. The IPO’s Guidelines, as they relate to newspapers, magazines, journals and periodicals, list 40 organisations, registers and other sources that might be of assistance; but should an archivist really consult them all? Should they consult the UK National Centre of the International Standard Serial Number (that is, the British Library at Boston Spa), relevant library indexes and catalogues, legal deposit data, records held by all Publishers’ and Authors’ Associations, as well as the databases of all relevant collecting societies? If the newspaper article has nothing to do with food, travel or science writing, is there any point in consulting the Association of British Science Writers, the Garden Media Guild, the Guild of Food Writers, Travel Writers UK, or the British Guild of Travel Writers? Is the National Union of Journalists, the Chartered Institute of Journalists or the British Association of Journalists likely to be able to assist in identifying the relevant copyright owner?

For one thing, practically speaking, consulting all relevant sources simply might not be possible. In a study of diligent search requirements in the United Kingdom, the Netherlands and Italy, Favale et al found that, across all three jurisdictions, just over half of the sources that might fall within the scope of the Annex were freely accessible online. The remaining sources could only be consulted offline (that is, on site), only granted partial access to the relevant records, or could be accessed online but only on payment of a fee. On this basis, the authors recommend that a diligent search must be considered

search for family members or connections of the author; Archives; Treasury solicitors; Biographical directories online; Other sources identified.

as carried out in good faith if ‘all relevant freely and easily accessible sources have been consulted’.⁵²

We endorse that recommendation but it still begs the question: when is a listed source *genuinely relevant* such that it *ought* to be consulted? It has been suggested that if a Member State has provided guidance on diligent search incorporating a list of relevant sources then *all sources* should be consulted; otherwise, the search cannot be deemed to be diligent. In other words, under the Directive the concept of diligence is simply a proxy for an exhaustive search.⁵³ We disagree. For example, if presented with a photograph of a building or public work of art, the British Society of Underwater Photographers is unlikely to provide any useful information about who the photographer might be.⁵⁴ Or take another example: conducting an ISBN search is recommended in both the Annex to the Directive and the IPO Guidelines for published books. But, the ISBN scheme was only created in 1967 and first introduced in 1970. So, should an ISBN search really be conducted for works that were published before 1970? Would a good faith diligent search be rendered invalid if ISBN was not consulted? That would surely be absurd. Indeed, carrying out futile and irrelevant search activity of this kind would seem to be the very antithesis of diligence, which requires care and conscientiousness in thought and action.

It may be that some Member States have imposed a strict obligation to consult all relevant listed sources in their implementation of the Directive. Germany perhaps provides an example. The German Act states that ‘*at the very least* the sources set out in the Annex [to this Act] *must be consulted*’ (emphasis added). That is, consulting each source listed is *necessary* to ensure a good faith diligent search; and yet, this may not be *sufficient* to provide legal certainty. Depending on the context, consulting other sources not listed may also be required. We suggest, however, that the language adopted in the German regime goes beyond what it required by the Directive. After all, the Directive sets out sources that are *appropriate* to be consulted when conducting a diligent search, rather than *required* to be consulted *in every instance*.

If the Directive is not to be rendered a complete irrelevance whether for mass digitisation initiatives or otherwise, a more purposive or pragmatic approach to good faith diligent search must be adopted. What constitutes a relevant source should not be unthinkingly predetermined by the category of work, regardless of the nature of the work and the context in which it occurs. Consider again, our example of an extract from a newspaper article by an unnamed author published in an unknown newspaper. It would be unreasonable, indeed irrational, to interpret the concept of a good faith search as requiring an exhaustive engagement with all the relevant sources set out in the IPO Guidelines. Sending email information requests to all listed organisations and professional bodies would amount to little more than an exercise in generating spam, even if they are neither sent nor received in that spirit. And often, recipient organisations will simply not bother to respond. In truth, the realpolitik of a good faith search in relation to such a work is likely to start and end with no more than an internet-

⁵² Favale, M., Schroff, S., and Bertoni, A., *EnDOW Report 1: Requirements for Diligent Search in the United Kingdom, the Netherlands, and Italy* (February 2016), 38, available here: http://diligentsearch.eu/wp-content/uploads/2016/05/EnDOW_Report-1.pdf (accessed: 12 December 2016).

⁵³ See Schroff, Favale and Bertoni, ‘The Impossible Quest’.

⁵⁴ Of course, the photograph in question might have been taken by someone who ordinarily specialises in underwater photography. Our thanks to Margaret Haig for this example.

based search for the title of the article or for key passages of text. If the search returns nothing meaningful to go on, should more than this be required? We would suggest not. Moreover, our practical experience of conducting reasonable diligent searches under the OWLS regime confirms this view.

7.5. DILIGENT SEARCH IN PRACTICE

In the next main section of this online resource we present the results of a rights-clearance simulation carried out within the context of the UK orphan works regime (see here). It will be useful, however, to draw upon various examples from that work at this point to illustrate and contextualise some of the preceding analysis on the concept of diligent search.

To explore the nature and demands of the OWLS scheme, an application was made to OWLS featuring five different types of work including a published poem and an original black and white photograph. The author of the poem is Peter Appleton, as recorded by Edwin Morgan in Scrapbook No.12. When carrying out the diligent search for the copyright owner of this work, the project researcher addressed 15 of the recommended sources on the IPO's extended checklist. This included seven of the 16 relevant Annex-related sources, and eight of the 22 additional sources listed in the IPO guidelines. The Society of Authors, the Writers' Guild, and the Authors' Licensing and Collecting Society were unable to help. *Who's Who*, the *Dictionary of National Biography* and the Poetry Library led nowhere. VIAF (the Virtual International Authority File) provided information for other authors named Peter Appleton but not this specific poet.⁵⁵ Google also proved to be a dead end. After 90 minutes searching for the owner of the work, over a period of nearly four months, we determined the work to be orphan. The IPO agreed.

For the original photograph (an image of a topless man with his hands behind his head: Image 13) only six sources were considered: the UK Orphan Works Register; the likely provenance of the work;⁵⁶ credits and other information appearing on the work [there were no credits or similar information]; web-based search tools for images (Google, PicScout and Tineye); the British Institute of Photographers;⁵⁷ the Association of Photographers;⁵⁸ and the British Association of Picture Libraries (BAPLA).⁵⁹ The total time spent on the search was 25 minutes, over a period of one day. The work was deemed to be an orphan. Again, the IPO agreed.

In both cases the IPO considered the diligent search to be a *reasonable search* of the *relevant sources* for the works in question, and this was despite that each of the recommended Annex-related sources had not been consulted. One assumes that, in the

⁵⁵ For details on VIAF, see: <https://viaf.org/> (accessed: 12 December 2016).

⁵⁶ From the application submitted to the UK IPO: 'There is similar material throughout the Scrapbooks (all uncredited). I think these are contemporary 1950s body building images, as appeared in Physique magazines. Likely purchased from an unknown magazine. Possibly US based?'

⁵⁷ The BIPP responded as follows: 'Unfortunately, we've drawn a blank with this. I will keep the details on file, in case we do discover any information on the image, but at the moment, we're unable to accredit it to a photographer'.

⁵⁸ The AOP replied as follows: 'I have forwarded your information onto our board of directors and members. I will let you know if it gets any returns.' No further correspondence was received.

⁵⁹ No positive responses were received from any image suppliers notified by BAPLA.

opinion of the IPO, these same efforts would also constitute a good faith search;⁶⁰ indeed, arguably even less effort might be required. The key point, however, is that, while the Annex to the Directive sets out a list of ‘minimum’ sources to be consulted when conducting a diligent search, all sources need not be consulted in every case, at least not in the UK. Just because a source is potentially relevant to a category of work, does not mean it will be a relevant source in relation to a specific example of that work. Much will depend on the content of the work and the context in which it is found, as well as the expertise and knowledge-base of the person conducting the search. Diligence does not demand a perfunctory or dogmatic adherence to a boilerplate check-list of sources, however useful and well-crafted. Moreover, the IPO guidelines indicate as much in noting that ‘there is no minimum requirement to be followed in every case’.⁶¹

8. CONCLUSION

Rather than present conclusions within each section, we collect them together within one project conclusion (available at www.digitisingmorgan.org/conclusion). In the next section of the resource we present an in-depth analysis of a rights-clearance simulation carried out on a 10% sample of Scrapbook 12 from Edwin Morgan’s Scrapbooks. The next section is available at www.digitisingmorgan.org/diligence.

This document is a section taken from the website www.digitisingmorgan.org and will also be included in a forthcoming CREATE Working Paper. The site was created as part of *Digitising the Edwin Morgan Scrapbooks*, through support by the RCUK funded Centre for Copyright and New Business Models in the Creative Economy (CREATE), AHRC Grant Number AH/K000179/1.

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⁶⁰ Of course, as a free-standing artistic work the original photograph does not fall within the scope of the Directive.

⁶¹ Intellectual Property Office, *Orphan works diligent search guidance for applicants: Literary Works*, 2.