

IPO Consultation in relation to Changes to Schedule 1 of the Copyright, Designs and Patents Act 1988 (CDPA) and the Duration of Copyright and Rights in Performances Regulations 1995 (1995 Regulations)

This response is submitted jointly by Catriona Smith and Tamsin Holman (in their personal capacity). Catriona Smith is a solicitor and consultant in Rouse & Co, a specialist IP solicitors practice, and she tutors and examines on copyright law and practice on Oxford University's 'Post Graduate Diploma in Intellectual Property Law and Practice'; Tamsin Holman is a solicitor and partner in D Young & Co, a firm of specialist IP solicitors, patent and trade mark attorneys.

Provision of copyright protection for works made before 1 June 1957

The proposed amendments to Schedule 1 CDPA, paragraphs 5 and 6(1), appear to be based on the Government's view that certain steps need to be taken "to ensure UK copyright law is compliant with EU law", rather than for any UK policy reasons. The consequences of the changes, if implemented, will, or may, give copyright protection to works which have never previously enjoyed such protection. The works in question, being pre-1957 works, have had no copyright protection for at least 59 years.

At a time when the UK Government is considering how to remove the UK from the EU, it seems premature to introduce law whose sole purpose is to ensure compliance with EU law. The shape of the UK's relationship with the EU after so-called Brexit has yet to be determined, but is highly unlikely to be formed within the next year or so.

We would suggest that rather than legislate at this stage on this issue, it would be better to wait. There are other post Brexit intellectual property law issues which will need to be considered, not only copyright generally, but also issues such as the future of Unitary Patent and Unified Patent Court, and the sui generis database right. A holistic approach to IP post Brexit would enable the UK Government to consider all the potential issues together, avoiding the possible need to change the new law on pre-1957 works within a short time after its introduction.

However, assuming the Government wishes to press ahead, we have the following comments.

As we understand the current consultation, the aim is that some pre-1957 works, which have never been protected by copyright in the UK, should now be given copyright protection for the first time, provided that they were protected in another EEA member state in 1995. The stated reason is that the Term Directive requires this. The question of what subject matter is to benefit from copyright protection was not harmonized by the Term Directive and in 1995 there was greater divergence between member states on issues such as the level of originality for copyright protection than there is today. The question as to what works were protected in other EEA member states in 1995 is not an easy one to answer. Almost certainly the works do not correlate exactly with the pre-1957 works currently excluded from UK copyright protection. For example, most other countries did not in 1995 (or do now) have the "closed" list of subject matter that applies under the CDPA. Their approach to copyright will be different, and will not be the same in each Member State. Purporting to give copyright now, to certain pre-1957 works only, will probably not achieve the Government's stated aim of ensuring that the UK will be [fully] compliant with EU law.

It is also not clear that the proposed amendment can be done by secondary legislation at all, and the proposed provision does not fall naturally within the scope of ERA which, under section 99, permits the Secretary of State to make by Statutory Instrument suitable provisions (including transitional provisions) in consequence of that Act. Since the proposed amendments are arguably a change to primary legislation, their enforceability would be questionable in any event.

In light of the recent EU Referendum, we would also query the desirability of attempting now to change the effect of domestic law which has been in effect for over 59 years, potentially creating onerous obligations and unforeseen consequences for businesses. In practical terms, for example, if pre-1957 works were to be given copyright in the UK for the first time, complex investigations would have to be conducted by anyone who might wish to deal in copies of any particular pre-1957 item, notably to ascertain whether the work was protected by copyright in another EEA member state in 1995, and who if anyone was now entitled to enforce the new copyright in the UK. They would have to consider at the least:

1. what type of work the item might be, or might be a copy of: artistic, literary, etc;
2. whether it met the requirements for originality under the relevant copyright act - probably the 1911 Act, but possibly under previous Acts, since it is quite probable that pre 1911 Act works could be given copyright by the proposed amendments;
3. who the author was, and whether the author was entitled to copyright protection for his works;
4. when the work was created;
5. when the author died;
6. who the first owner (rather than author) of the copyright was (and the rules as to ownership of the new copyright are not clear from the Government's proposal);
7. who the present owner of the copyright is. A key issue here will be the impact of the the rules against assignments of future copyright, and the rules against assignment of the last 25 years of copyright, under the 1911 and previous Copyright Acts. The rules are highly complex. Past assignments will need to be reviewed, to see if they can be construed to transfer the proposed new rights in pre 1957 works. Discussions of these issues can be found in Laddie, Prescott and Vitoria on the Modern Law of Copyright and Designs, Fourth Edition, at 24.17 to 24.45, and in Copinger on Copyright, 5-108 to 5-124. ; and
8. whether any relevant licences are, or have ever been, in place (e.g. there might be a worldwide licence in respect of the work, previously granted and covering the UK).

Bringing pre-1957 works into copyright for the first time necessarily means that some of these questions require investigation of events happening at least 59 years ago, and possibly over a century ago. Such investigations would be far from easy, and any attendant legal advice potentially expensive, for those affected.

Finally, we note that the Government does not appear to be intending to impose conditions or make any transitional arrangements in relation to the new copyright in pre-1957 works,

which is liable to further disadvantage those currently having legitimate expectations as to their ability to deal in relevant pre-1957 works (e.g. in relation to stock, concluded orders, etc.). This is at odds with general principles of democratic law-making, as well as conflicting with Art. 10(3) of the Second Term Directive, which provides that it is without prejudice to prior acts of exploitation or acquired rights of third parties. In our view, new copyright protection should not be given to pre-1957 works on any basis, unless and until proper consideration is also given as to whether to introduce compulsory licensing in relation to any work which has never previously been protected by copyright in the UK and what transitional provisions should apply to any such works. This has not happened. The Government could introduce compulsory licensing if it chose to do so. The Berne Convention allows the imposition of conditions on copyright works and, so far as we are aware, there is nothing in European law to prevent such conditions being imposed. The CJEU in *Flos* is clear that Article 17 of the Designs Directive means that it is up to Member States to regulate as to the extent and conditions upon which any copyright is to be conferred. A compulsory licence does not remove copyright protection; it simply limits the ways in which it can be enjoyed.

Compulsory licensing

The Government previously consulted on the repeal of Regulation 24 of the 1995 Regulations, as part of its consultation on the transitional arrangements for the repeal of section 52 CDPA. In the present consultation, the basis for proposing repeal of Regulations 24, 25, 34 and 35, is that these deemed licensing provisions (without the rights holder's consent) for revived copyright works are at odds with Art. 2 of the InfoSoc Directive – i.e. the exclusive right to control reproduction. Transitional provisions are proposed, whereby any act for which a royalty or remuneration has already been paid under Reg. 24(1) or 34(1), shall be treated as having been licensed by the copyright owner. Rights holders would have protection for any new acts of copying where remuneration or royalties have not been paid as soon as the transitional regulations come into force.

As the 1995 Regulations came into force more than 20 years ago, the provisions in Reg. 24 relating to “revived copyright” have run their course. (The definition of “revived copyright” in Reg. 17 refers to copyright which subsisted but which had expired under the CDPA or any “earlier enactments”.) This is because Reg. 16(d) only addresses a limited class of works in which copyright was to be revived, having previously expired by 31 December 1995. The period of revival was, broadly, 20 years. Therefore both any such revived copyright and any compulsory licences of such revived copyright have now expired.

It unclear, therefore, what the Government considers will be gained by the proposed repeal or why such repeal would achieve the stated aim of compatibility with the InfoSoc Directive. For the avoidance of doubt, our view is that Reg. 24(1) cannot be construed as covering works in which copyright has never previously subsisted (in light of the use of the words “revived copyright”). Accordingly, we do not see how its repeal can affect the position in relation to pre-1957 works for which the Government proposes to confer copyright protection for the first time under the proposed amendments to Schedule 1 CDPA, paragraphs 5 and 6(1). Were it the Government's intention to impact pre-1957 works, however, our views on that issue are as set out above. As things currently stand, we question the need for the Government to do anything in relation to repealing the relevant Regulations, in the absence of any clear requirement or objective for doing so.

If the Government decides to proceed, at the very least, we would hope that the Government would issue guidelines for those affected by the changes, as it has with the s52 repeal. There is no sanction against unjustified threats of copyright infringement, and lawful users should be able to understand their rights, in what is a highly complex and controversial area of law. Examples of current purported statements of the law, which do not address the complexities, can be found, for example, on this website by [De Zeen](http://www.dezeen.com/2016/08/04/10-popular-furniture-replicas-outlawed-uk-copyright-eames-hans-wegner-arne-jacobsen/) (<http://www.dezeen.com/2016/08/04/10-popular-furniture-replicas-outlawed-uk-copyright-eames-hans-wegner-arne-jacobsen/>) and this article in the [Daily Mail](http://www.dailymail.co.uk/femail/article-3560533/Bag-bargain-design-classic-EU-bans-pick-best-copycats-kit-home-copyright-laws-change-tomorrow.html) (<http://www.dailymail.co.uk/femail/article-3560533/Bag-bargain-design-classic-EU-bans-pick-best-copycats-kit-home-copyright-laws-change-tomorrow.html>).

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