

Rethinking the Berne-Plus Framework: From Conflicts of Law to Copyright Reform

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OPINION

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No one is happy with copyright law today. Authors and media entrepreneurs complain about piracy. Authors and users complain about constraints on using cultural materials. Except for a few experts, we all complain about the complexity of copyright laws. To make a bad situation worse, these laws risk entering into conflicts in increasingly frequent cross-border cases. I shall here look at copyright reform in this global context.¹

In international copyright, reform had in the past taken place in Berne revisions. The initial Berne Act was concluded in 1886, and many revised acts followed, culminating in the Paris Act of 1971. Reform picked up again, with the TRIPs Agreement of 1994 and with the WIPO “Internet” Treaties of 1996. The TRIPs Agreement incorporates most Berne provisions, and the WIPO Copyright Treaty requires Berne compliance.² Both of these treaties also complement Berne with their own obligations: hence their Berne-plus conditions. However, successive Berne acts had responded to nineteenth- and twentieth-century media, from book publishing to broadcasting and cablecasting. How, then, to read the Berne-plus conditions of further treaties in legislating for the twenty-first-century internet?³

One could read Berne provisions, “plus” TRIPs and WIPO Treaty provisions, as aggregating bundles of rights, limitations and exceptions. Consider some of the Berne rights: moral rights, translation and adaptation rights, public performance and recitation rights, broadcasting and cablecasting rights, the reproduction right and so forth. Berne rights are limited by corresponding Berne exceptions that allow, for example, quotation, educational and news-media uses, retransmission and re-recording against equitable remuneration and so forth.⁴ Assuming a literal-minded interpretation of Berne provisions, all subsequent copyright reforms would have to adumbrate bundles of rights as extensive as, and exceptions no more extensive than, those listed by Berne. Extending that interpretation to the Berne-plus conditions, national reforms would also have to include the TRIPs and WIPO Treaty rights, limitations and exceptions in their respective bundles. The European Information Society Directive has provided a strikingly cumbersome model for thus reforming copyright laws.⁵

* Attorney, Los Angeles: <http://www.pgeller.com> [Accessed June 4, 2009]. For their critiques of earlier versions of this article, I thank Mihály Ficsor, David Nimmer and Jerome Reichman. This article arose out of comments given at the program “Reforming Copyright: Process, Policy and Politics” held on March 6, 2009, at Southwestern Law School in Los Angeles.

1 For such projects, see Paul Edward Geller, “Beyond the Copyright Crisis: Principles for Change” (2008) 55 *Journal of the Copyright Society of the USA* 165, also at <http://www.criticalcopyright.com/principles.htm> [Accessed June 4, 2009]; Jessica Litman, *Digital Copyright: Protecting Intellectual Property on the Internet* (Prometheus Books, 2001), ch.12.

2 Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), art.9(1) (Annex 1C to the Agreement Establishing the World Trade Organization), http://www.wto.org/english/docs_e/legal_e/27-trips.pdf [Accessed June 4, 2009]; and WIPO Copyright Treaty, art.1(4), http://www.wipo.int/treaties/en/ip/wct/trtdocs_wo033.html [Accessed June 4, 2009].

3 See generally Sam Ricketson and Jane C. Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond* (Oxford University Press, 2006), Vol.1, p.v (“‘Berne-plus’ conditions . . . acquired the voice of positive command . . . exactly in time with the greatest revolution in information and entertainment since the invention of printing”).

4 See Berne Convention, arts 6bis–16 (Paris Act), http://www.wipo.int/treaties/en/ip/berne/trtdocs_wo001.html [Accessed June 4, 2009].

5 Directive 2001/29/EC of the European Parliament and of the Council of 22 May, 2001 on the harmonisation of certain aspects of copyright and related rights in the information society, [2001] OJ L167/10. For critical analysis of this directive, see P. Bernt Hugenholtz et al.,

Bear with me as I switch scenes abruptly. The new scene will illustrate why a literal-minded reading of the Berne-plus conditions is no longer globally workable. Think of bringing Berne, TRIPs and WIPO Treaty rights, limitations and exceptions together into national bundles. The treaty provisions have to be effectuated in more than a hundred national laws, but subject to national discretion in statutory implementation. Given possible combinations and permutations within the Berne-plus framework, we find ourselves in a world full of diverse national copyright laws. To know how these laws may work in the twenty-first century, we have to ask: which law or laws would dispose of infringement issues in internet cases, where protected materials are made available worldwide? Before answering this question, we have to consider, not only the tenor of all such possibly conflicting laws, but also the methods available to the courts for resolving conflicts between such laws in internet cases. Start with the worst-case scenario: a court is tempted to apply a single law, say, its own law, to the allegedly global infringement. To see why this is a worst case, ask: what if many courts worldwide were ready to adopt this tactic in cross-border cases? Courts would then invite lawyers to shop for fora likely to apply the laws most favourable to their clients. Copyright laws globally would become subject to choice-of-law roulette.⁶

I shall elaborate, hypothetically, our worst-case scenario. Start with a US national, who creatively improvises a mime work live, but without fixing it: she neither scores it on paper using notation nor has it recorded as performed. Suppose that our mime author initially performs her work in the United States, where, without her consent, a member of her audience, also a US national, makes a video-recording of this work as performed and, through a US internet-service provider, posts the resulting video-recording on the worldwide web. What would the result be if a court were to start by applying only one law, particularly US law, to the entire case because, among the plausible choice-of-law connecting factors displayed in the case, the parties were US nationals or the unauthorised recording or posting took place within the United States? Bear in mind that full federal copyright in the United States does not protect unfixed creations or those fixed without due consent, while most Berne members protect unfixed creations with full copyright, or more precisely with full authors' rights, if good evidence is given of the creations.⁷ Were a court to apply but one law to our case, here US law, it could risk extraterritorially stripping our US mime author of her rights abroad. She could lose rights that Berne national treatment would otherwise assure her, even in her originally unfixed work, in other countries.⁸

Such risks arise out of aggregating rights in bundles. In a case such as we hypothesised, a court could be asked to vindicate rights bundled together in each, some, or all of many laws. Confronted by ostensibly wide-ranging infringement, a court might well be tempted to localise infringing acts by seizing on any one of the diverse acts, for example, of reproduction or of communication, that may be subject to this or that right included in any one

“Study on the Implementation and Effect in Member States’ Laws of Directive 2001/29/EC”; and Guido Westkamp, “Country Reports on the Implementation of Directive 2001/29/EC in the Member States” (reports submitted to the European Commission, February 2007), both at http://www.ivir.nl/files/implementation_2001_29_EC/index_eng.html [Accessed June 4, 2009].

6 For an example of such an approach, see American Law Institute, *Intellectual Property: Principles Governing Jurisdiction, Choice of Law, and Judgments in Transnational Disputes* § 321 (2007). For a differently based approach, see Regulation 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II), arts 4(1) and 8(1), [2007] OJ L199/40.

7 US Copyright Act, 17 USC § 101 (definition of “fixed”) and § 102(a). For US state laws that variably protect unfixed creations and for the US federal anti-bootlegging law that protects live musical performances, respectively, see Melville B. Nimmer and David Nimmer, *Nimmer on Copyright* (LexisNexis, 2008), Vol.2, ch.8C, and Vol.3, ch.8E. For examples of laws without any fixation requirement for full authors’ rights, see Manoel J. Pereira dos Santos, “Brazil” § 2[1][a], in Paul Edward Geller (ed.), *International Copyright Law and Practice* (LexisNexis, 2008), Vol.1, BRA-13; André Lucas and Pascal Kamina, “France” § 2[1][a] in Geller (ed.), *International Copyright Law and Practice*, FRA-15–FRA-16; Adolf Dietz, “Germany” § 2[1][a] in Geller (ed.), *International Copyright Law and Practice*, Vol.2, GER-26–GER-27; and Teruo Doi, “Japan” § 2[1][a] in Geller (ed.), *International Copyright Law and Practice*, JAP-10.

8 For further analysis, see Paul Edward Geller, “International Copyright: An Introduction” § 3[1][a] in *International Copyright Law and Practice*, fn.7 above, Vol.1, INT-46–INT-49.

national copyright bundle. To illustrate, in our hypothetical case of the mime work, let us vary certain facts: assume recording in the United States, posting online by a local user through a local service provider within Canada and making available to members of the public in countries worldwide. In our hypothetical, continue momentarily to assume that the court tries to govern the entire case with only one law: but whose law should it choose to apply, that of the United States or of Canada, each an arguable point of origin for infringing acts, or that of a country of reception? Even if the court were to apply more than one law, it would face a plethora of connecting factors for choosing laws, given all the combinations and permutations of rights bundled together in various national laws. In the United States and Europe, there is conflicting and ambivalent case law illustrating this problem.⁹

I shall now argue that, to start to resolve such choice-of-law problems, we have to reconstrue Berne-plus conditions. In particular, we have to begin to move away from any bundle paradigm of rights that tends to have us understand treaty rights one by one in terms of old categories. The TRIPs Agreement and WIPO Copyright Treaty have provisions that, if read together but differently, may guide us in adapting this understanding to new media conditions. Article 13 of the TRIPs Agreement, recodified in art.10 of the WIPO Copyright Treaty, sets out criteria for limitations and exceptions to copyright, albeit in open-ended terms.¹⁰ To give these criteria some precision, I shall propose to read them restrictively; however, to do so, I have to start by considering another WIPO-Treaty provision. Here we begin to shift away from any bundle paradigm, aggregating old rights helter-skelter, and to move towards a more coherent core-right paradigm. Turn to art.8 of the WIPO Treaty, which provides for the right of communicating or making works available to members of the public. This right may be characterised as a core right that subsumes prior Berne rights, including distribution and transmission rights.¹¹ To complete the paradigm shift, however, we shall have to have the core right subsume the reproduction right as well.¹²

What do I mean by a “core right” in copyright law?¹³ Such a right is technology-neutral, applying, for example, to the distribution of hard copies and to electronic transmission. A core right is also self-limiting: a right of communication or making available to members of the public, by definition, would not include any right to control private activities; if the core right is conceived as a right of commercial exploitation, it would not definitionally include any right to control non-commercial activities.¹⁴ A core right may accordingly help us to sort out conflicts of laws in cross-border cases: any right of communication is triggered by making

9 Here are conflicting US cases: *Allarcom Pay Television, Ltd v General Instrument Corp*, 69 F.3d 381 (9th Cir. 1995) (not applying US copyright law to transmissions only received in Canada); *National Football League v PrimeTime 24 Joint Venture*, 211 F.3d 10 (2d Cir. 2000), *cert. denied*, 532 U.S. 941 (2001) (applying US law to the retransmission of signals in the United States, with reception only in Canada). Here is an ambivalent case in Germany: the *Felsberg Transmitter* decision, BGH (Federal Court of Justice), November 7, 2002, [2003] G.R.U.R. Int. 470, [2003] G.R.U.R. 328, English translation in (2004) 35 *International Review of Intellectual Property and Competition Law* 977 (applying German law to broadcasts from Germany into France, but contemplating royalties to be assessed with an eye to French law).

10 For critical analysis, see Jerome H. Reichman, “Marching to a Three-Step Tune” (Comments, Program on the International Harmonization of Copyright Limitations and Exceptions, Cardozo School of Law, March 30–31, 2008) (on file with author); and Max Planck Institute, “Declaration on a Balanced Interpretation of the ‘Three-Step Test’ in Copyright Law” (2008) 39 *International Review of Intellectual Property and Competition Law* 707, http://www.ip.mpg.de/www/en/pub/news/declaration_on_the_three_step_declaration.cfm [Accessed June 4, 2009].

11 See Mihály Ficsor, *The Law of Copyright and the Internet: The 1996 WIPO Treaties, their Interpretation and Implementation* (Oxford University Press, 2002), pp.424–457 and 493–500.

12 See Geller, fn.1 above, 173–178.

13 For analysis of core rights in the three main branches of intellectual property, respectively, see Abraham Drassinower, “Authorship as Public Address: On the Specificity of Copyright vis-à-vis Patent and Trade-mark” [2008] *Michigan State Law Review* 199, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1140217 [Accessed June 4, 2009].

14 For further analysis of the communication and commercialisation rights, respectively, see Geller, fn.1 above, 179–189; and Litman, fn.1 above, 180–182. Note that the communication right would lead to imputing liability to up-loaders, but not necessarily to down-loaders, in file-sharing networks; however, it remains unclear whether any commercialisation right would apply either to up-loaders or to down-loaders.

works available to audiences and, *a fortiori*, by marketing works to the public. Authors are then protected with regard to having their authorship recognised and their works received with integrity by audiences, as are authors and entrepreneurs with regard to earning remuneration in the marketplace.¹⁵ Interests in such protection motivate the *ordre public* of international copyright, compelling the answer to our question: which copyright laws ought to apply to worldwide infringement? The answer is already prefigured in the better decisions in major jurisdictions: apply the laws respectively in effect where audiences or markets are targeted.¹⁶

How may a court, applying diverse national laws country by country, fashion coherent remedies in a given case? Elsewhere I have proposed the method of finding false conflicts for this purpose: if policies underlying theoretically conflicting laws call for much the same remedies in a case, the court may in practice defuse these conflicts by exercising its discretion to fashion such relief.¹⁷ Specific rights that fall under any core right may be defined by remedies for which they call relative to specific media: for example, reproduction and distribution rights may call for orders stopping the making and marketing of hard copies. Here we see how the core right may subsume the reproduction right: for the core right to entitle a claimant to control an act, even an act of reproduction, the act has to present risks of addressing some audience or market.¹⁸ Specifically, the act at issue has to threaten an author's protected interests with regard to an audience or market sufficiently to justify a court's exercise of discretion to enjoin the act. Only if faced with such risks, these outweighing risks to legally protected interests to the contrary, could a court prohibit the act.¹⁹

Contrary interests, notably of users, may justify limitations or exceptions to copyright. Can art.13 of the TRIPs Agreement help us with conflicts of laws in cases arguably subject to such limitations or exceptions? The TRIPs Agreement reserves definitional limitations of copyright: art.6 leaves intact the first-sale or exhaustion doctrine, while art.9(2) confirms the exclusion of ideas, procedures and so forth.²⁰ Such definitional limitations, along with overriding constitutional limitations, help to define copyright itself, so that exceptions delimited by open-ended economic criteria do not expand or erode the core of copyright indiscriminately. I propose to distinguish definitional limitations of copyright, as well as constitutional limitations of copyright, on the one hand, from limitations and exceptions to copyright subject to the TRIPs economic criteria within art.13, on the other. The courts and commentators have already started to unbundle limitations and exceptions in these distinct regards.²¹

15 For the complementary rationale of avoiding spill-over effects of the copyright policies of one jurisdiction into another, see Paul Edward Geller, "Conflicts of Laws in Copyright Cases: Infringement and Ownership Issues" (2004) 51 *Journal of the Copyright Society of the USA* 315, 389–391, http://www.pgeller.com/Geller-Copyright_Conflicts_Laws.pdf [Accessed June 4, 2009].

16 A pair of examples, one in the United States and the other in Europe, specifically in France, are illustrative: *Subafilms, Ltd v MGM-Pathé Communications Co*, 24 F.3d 1088, 1094–98 (9th Cir. 1994) (en banc) (invoking the "international regime" while refusing to apply US law to exploitation abroad), *cert. denied*, 513 U.S. 1001 (1994); *SISRO c. Sté. Ampersand Software*, Cour d'appel (Intermediate Court), 4e ch., Paris, February 8, 2002, Expertises, no.259, June 2002, 230 (applying Swedish, Dutch and British laws to exploitation in each country, respectively).

17 See Geller, fn.15 above, 321–355.

18 Here we move beyond Continental laws that, for example, posit the author's core *droit de représentation* or *Recht, sein Werk . . . zu verwerten*, while they maintain self-standing reproduction rights. See Lucas and Kamina, "France" § 8[1][b], fn.7 above, FRA-109–FRA-113; and Dietz, "Germany" § 8[1][b], fn.7 above, GER-99–GER-108. We also start defusing tensions that are troubling copyright law globally. See WIPO Copyright Treaty, fn.2 above, Agreed Statements concerning Articles 1(4) and 10 (proposing, respectively, to construe the reproduction right broadly and to allow new exceptions to narrow the scope of rights).

19 A caveat: the derivative-work right may be viewed as the core right applied to prior works and to later works creatively derived from the prior works; however, to avoid tensions between the rights of the prior and later authors, respectively, this view has special remedial consequences. For analysis, see Geller, fn.1 above, 180–181 and 184–189.

20 For analysis of TRIPs arts 6, 9(2) and 13, respectively, see Daniel Gervais, *The TRIPs Agreement: Drafting History and Analysis*, 2nd edn (Sweet & Maxwell, 2003), pp.112–115, 130–132 and 144–152.

21 For such analyses, see Pamela Samuelson, "Unbundling Fair Use" (forthcoming 2009) *Fordham Law Review*, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1323834 [Accessed

What is a court to do when, in a cross-border case, definitional or constitutional limitations of copyright are invoked in different laws? Persuasive jurisprudence, I submit, supports the following solution: where definitional or constitutional limitations of copyright apply to dispose of a case, however these limitations are formulated in applicable laws, conflicts between these laws may be defused by declining to enjoin the global uses at issue. Consider a pair of decisions to this effect from a pair of leading courts, one in the tradition of the common law and the other in that of the civil law. In a parody case in the United States, the Supreme Court warned against granting injunctions that would preclude access of the public to transformative works.²² In Germany, the Federal Constitutional Court, to assure freedom of artistic expression, overturned an injunction which had prohibited the use of extensive quotes critically included in a play.²³

What if, rather than overriding limitations, mere exceptions to copyright ostensibly apply? TRIPs criteria seem too vague to help us resolve conflicts of laws here. Consider, for example, potential conflicts in cases where the broad US doctrine of fair use and limited European exceptions might apply.²⁴ Some commentators propose to construe TRIPs criteria of exceptions in the light of the Agreed Statement concerning Article 10 of the WIPO Copyright Treaty, which contemplates new exceptions for digital uses.²⁵ However, recourse to ever-newer copyright exceptions would aggravate conflicts of laws already difficult enough to resolve. I have proposed to subsume rights, notably the reproduction right, under a core right of communication. This approach would tend to replace complex exceptions with simpler definitional limitations of rights.²⁶

I shall hedge my argument in concluding. In an online world, courts have to avoid the choice-of-law roulette that would put all local copyright reforms to naught. I have tried to anticipate, and shall now resume, a few lessons that, when faced with conflicts of copyright laws, courts may learn and then teach us for making copyright reforms globally more coherent. On the one hand, we need to reconceptualise copyright bundles in terms of a core author's right; on the other, we need to move from multiplying exceptions to rights towards limiting rights definitionally. While courts may, to defuse conflicts of laws, fashion remedies *as if* laws were thus principled, only legislators may reformulate statutes to such effect.²⁷

June 4, 2009]; and Christophe Geiger, "'Constitutionalising' Intellectual Property Law? The Influence of Fundamental Rights on Intellectual Property in the European Union" (2006) 37 *International Review of Intellectual Property and Competition Law* 371.

22 *Campbell v Acuff-Rose Music, Inc*, 510 U.S. 569, 578 n.10 (1994). See also *eBay, Inc v MercExchange, LLC*, 547 U.S. 388, 392–93 (2006) (confirming this approach).

23 The *Germania 3* decision, BVerfG, June 29, 2000, [2001] G.R.U.R. 149. See also the *Gies-Adler* decision, BGH (Federal Court of Justice), March 20, 2003, [2003] G.R.U.R. 956, English translation in (2004) 35 *International Review of Intellectual Property and Competition Law* 984 (confirming this approach).

24 Cases in the United States and in Germany illustrate potentials both for such conflicts of laws and for diffusing them on the level of remedies: *Kelly v Arriba Soft Corp*, 336 F.3d 811 (9th Cir. 2003) (excusing as fair use under US law the posting of thumbnail copies online without due consent); the *Thumbnails* decision, OLG (Court of Appeal) Jena, February 27, 2008, [2008] *Zeitschrift für Urheber- u. Medienrecht* 522 (holding no limitation or exception applicable under German law to excuse obtaining an author's consent for posting thumbnail copies of her pictures online, finding no such consent implicit even in her failure to protect her site against searches resulting in such postings, but declining to grant relief because she optimised her site to attract searches).

25 See Jerome H. Reichman and Ruth L. Okediji, "Sustainable Innovation in the Digital Environment: The Crucial Role of Copyright Law's Limitations and Exceptions" (paper submitted to the European Commission, November 28, 2008); and P. Bernt Hugenholtz and Ruth L. Okediji, "Conceiving an International Instrument on Limitations and Exceptions to Copyright" (study for the Open Society Institute, March 6, 2008), pp.20 and 43–44, http://www.ivir.nl/publications/hughholtz/limitations_exceptions_copyright.pdf [Accessed June 4, 2009].

26 See Geller, fn.1 above, 173–192.

27 Compare Geller, fn.15 above, 387–389 (arguing that defusing conflicts of laws with harmonised remedies at best foreshadows legislative solutions), with Graeme B. Dinwoodie, "A New Copyright Order: Why National Courts Should Create Global Norms" (2000) 149 *University of Pennsylvania Law Review* 469 (proposing harmonisation by having courts impose what may seem to be the best of laws in conflict).