

# GOOGLE BOOKS: Fair to whom?

Entertainment and new media attorney Jay Rosenthal unpicks the Supreme Court's decision to let Google Books stand

In a four-to-four year, one can excuse the US Supreme Court for passing on one of the most controversial and interesting copyright cases on its docket. Which it did recently when it rejected an appeal by the Authors Guild to overturn the Google Books case. The Court of Appeals for the Second Circuit ruled in 2015 that the Google Books search product warranted fair "transformative" use protection. The Supreme Court's refusal to take up the case means the Second Circuit ruling stands. And that's too bad because I would have loved to read Justice Ruth Ginsburg's opinion, and she would have written an opinion, on the lower court's unprecedented expansion of transformative fair use. My guess is that she would conclude the ruling was unjustified.

Fair use generally allows for limited copying and use without authority of the copyright owner when supporting First Amendment and public policy goals (education, satire, news criticism, and so on), and also to transform the pre-existing content into new expressive works. The Google book scanning tool, however, does not create new expressive works.

It's not like a parody or satire. It's a functional tool that allows for massive exact copying of pre-existing books, albeit in segments, ostensibly for the public good. The Second Circuit in the Google Books case made a rather daring leap by using the transformative use test not to promote expression, but to create a product or

service designed for a totally different function. That function was to impart information, without any expressive component.

An opera lover such as Justice Ginsburg would understand the difference between the two approaches. Artistic expression in derivative fair use works, in the Ginsburg pantheon, would arguably warrant much more deference than fair use applied to goods or services using copyrightable works without authority and without paying the copyright owner. She most likely would have expressed much more concern than the Second Circuit did, about the damage to, and devaluation of, the owner's property interest.

Her concurring opinion in the 2005 Grokster decision, which re-examined the Sony fair use decision over 20 years earlier in the context of peer-to-peer file sharing, speaks volumes about how she would rule in this case. In Grokster, she recognised that the unprecedented damage imposed on the music community from peer-to-peer file sharing warranted a new look at—and perhaps even a reversal of—Sony. Now some would argue that peer-to-peer file sharing technology, like the Google tool, would benefit our culture.

But I don't believe Justice Ginsburg would parse it that way. She would most likely find that the Google Books search product simply would not tip the balance toward Google, even if arguably it would be in the public interest. She has other concerns—namely,





the well-being of the authors and owners, and the inherent legal integrity of their property interest that copyright law is supposed to support. She would recognise that facilitating the development of a free licensing market is more important than a tool created by Google, ostensibly for the public good.

There are three big problems with the Google Books case:

- First, it adopts an expansive fair use test that not only impacts on the economics of the book industry and chokes any chance of development of a vibrant licensing market for use of search tools, but it also threatens, in fundamental ways, the economic interests of other entertainment industries, most importantly, the movie, TV and music industries.
- Second, it exacerbates the damage already done to the Digital Millennium Copyright Act (DMCA) by the 2015 Lenz decision, further throwing into flux what it would mean to require a copyright owner to take into consideration whether or not the unauthorised use of its work is 'fair', as is now required—at least in the Ninth Circuit—before a takedown notice is sent.
- Third, the ruling continues an unsettling trend of cases seeming to recognise less and less the importance of the inherent property interest of the copyright owner. The lower courts seem to be leading us down a path where any functional product or service—or perhaps even an expressive work—is subservient to the interests of the public good and thus fair use. This is a slippery slope that will forever relegate the author to second class property interest status in the US.

Arguably, the lower courts took the Google Books search product and service down a tortured, perhaps unwarranted transformative fair use path. There were reports that other major technology companies were engaged in negotiations with book publishers to actually license the rights for similar search technologies. Thus, this confusing decision not only opened the door to more confusing fair use decisions—a result that will surely come—it also shut the door on the development of a new market. Exceptions to the rights of copyright owners should not be trifled with in this way. The parameters of fair use have always been applied narrowly and with consideration for the economic rights of pre-existing owners balanced against the benefit to the public of incentivising new expressive works incorporating pre-existing material.

The Second Circuit obviously did not believe that the potential damage, if any, to book publishers deserved much consideration. It concluded that the potential damage was not so bad—at least bad enough to refrain from granting Google the fair use exception it was seeking. What it did not consider was the possible impact of the case on other entertainment industries.

Movie producers are worried that such a search engine could be developed for motion pictures. Creating a system whereby the search algorithms can search for actors' names and/or images. Or by certain types of scenes. How can this be reconciled with traditional copyright ownership rights—and furthermore, name and likeness rights that protect an actor's proprietary interest in their name and likeness—and even sometimes in their vocal performance. It's not clear what contractual rights are further implicated by these types of systems now allowed by Google Books.

Record labels, artists, music publishers and songwriters should be just as worried. Unlicensed search systems aggregating small portions of their works—perhaps even just the lyrics—automatically keyed to songs or performances, could deeply impact on the economic interests of those in the music industry. Government agencies have already opined, as a matter of public policy, that use of small portions of music does not justify the creation of a compulsory licence, or adoption of a fair use defence.

Recently, the US Patent and Trademark Office, in its green paper on digital music issues, refrained from recommending the creation of a compulsory licence or application of fair use for samples and mash-ups. It recognised a market developed and should continue to develop—as it should here.

The DMCA regime is also clearly affected by this decision. The Lenz case stands for the proposition that copyright owners must take fair use into consideration before sending a takedown notice. Arguably, the Google Books case, by implication, adds this as an additional category of inquiry. The Lenz case dealt with the unauthorised use of Prince’s music in a user-generated video uploaded to YouTube.

Whether or not it is fair use is beside the point. It is the obligation to consider fair use that is so challenging, and perhaps even impossible. Fair use was always an affirmative defence. No one has ever suggested that a copyright owner would have to consider the fair use factors applied to someone else’s work before a takedown notice is sent.

Most have surmised that DMCA considerations of fair use are essentially limited to uses of pre-existing works in expressive derivative works. Using the Lenz fact pattern, for example, a copyright owner must take into consideration whether the use of its music in a user-generated video (ie, using Prince as a soundtrack to a video of a child’s birthday party) is fair use. And if the target of the takedown notice believes it is fair use, he or she has the right to send a counter-notification to the copyright owner, and then the copyright owner must file a lawsuit in a federal court within 10 days of receipt of the counter-notice. If it does not file a lawsuit, the work can be uploaded again.

Now, most of the thinking regarding the impact of Lenz on the DMCA focuses on the use of pre-existing material in expressive works, and whether the use in the new work is fair. However, most of the unauthorised use on the internet is wholesale use of entire works, such as full songs and movies. This is a category of unauthorised use that is much more immune to fair use defences, and thus arguably not as affected by the Lenz decision.

But now with the Google Books case, that assumption is much less certain. If Google can expropriate entire books and call it fair use, then why can’t other users expropriate entire movies or music and claim that copyright owners must take that into consideration as well? In the context of Lenz, the Google Books case disincentivises users from sending takedown notices, and incentivises users to send counter-notices. An already complicated and anti-owner dynamic with the DMCA has now become even more complicated and one sided because of the Google Books case.

As a final point, the Google Books case joins a number of other fair use and DMCA decisions resulting in a devaluation of the copyright author and owner’s property interest, and their ability to protect their property. This is not an insignificant point. Decisions by courts invoking the interest of the public are important. The public good is, after all, a goal that is desirable and beneficial. But at what cost? Clearly a balance must be reached between the interest of the copyright owner and the users, as well as the public. But in light of the unprecedented amount of unauthorised use of copyright owner’s work on the internet—and the damage this brings to the economic vitality of all artists—the trend should be going the other way.

The artistic community does not need any other decision that makes it harder for artists and copyright owners to protect and

*The views expressed in this article are solely those of the writer, and not of Mitchell Silberberg & Knupp LLP or any Mitchell Silberberg & Knupp LLP client.*

gain economically from the exploitation of their property. Our culture can only absorb so many disincentives for artists to create works. Otherwise, one day, they will simply stop creating. And that is exactly what the copyright law is designed to prevent. Unwarranted expansions of fair use—like that in the Google Books case—harms artists much more than it helps the interests of the public.

The public good is served by artists creating art—not users expropriating art without authority in the name of fair use. The Google Books case needs to be reversed. The question now is, by whom? If not the courts, perhaps Congress is the only alternative. [IPPro](#)



If Google can expropriate entire books and call it fair use, then why can’t other users expropriate entire movies or music and claim that copyright owners must take that into consideration as well?



**Jay Rosenthal**, Partner,  
Mitchell Silberberg & Knupp LLP

