



DOCTRINE AND OPINIONS

TECHNICAL MEASURES AND INTEROPERABILITY IN COPYRIGHT AND RELATED RIGHTS LAW

Yves Gaubiac¹

1. The digital dimension changed the modes in which works and other performances are being communicated. It facilitates their dissemination and allows some control over them. New legal rules are adopted to take this reality into account.

These rules originate in the two WIPO Treaties signed in December 1996. As concerns copyright law, according to Article 11 of the WIPO Copyright Treaty (WCT) contracting parties must provide “adequate legal protection and effective legal remedies against the circumvention of effective technological measures that are used by authors in connection with the exercise of their rights under this Treaty or the Berne Convention and that restrict acts, in respect of their works, which are not authorized by the authors concerned or permitted by law.”²

Provisions of this nature are being progressively introduced into laws, not only in order to comply with the obligations resulting from the ratification of these treaties, but also because they do impose themselves naturally. Within the European Union, the Directive of 22 May 2001 on the Harmonization of Certain Aspects of Copyright and Related Right in the Information Society is in keeping with this perspective,³ together with Member States’ national laws.

Technical measures are designed to ensure the exercise of rights, by controlling access to works. Yet they include one limitation: interoperability.

¹ © Yves Gaubiac 2007

Yves Gaubiac, State Ph.D. in law, Partner at the law firm of Kimbrough & Associés Paris, Lecturer at the Université Panthéon-Assas Paris 2, Secretary-general of the Association littéraire et artistique internationale (ALAI), Editor-in-chief of the Revue internationale du droit d’auteur (RIDA)

² For performers and producers, Article 18 of the WIPO Performances and Phonograms Treaty (WPPT) provides similar provisions. For measures concerning rights management information, see Article 12 for copyright and Article 19 for performers and phonogram producers.

³ See Article 6 and 7 for measures on rights management information

I - Technical Measures: A Means to Ensure the Exercise of Rights

2. Technical measures prevent or restrict uses of a work, performance, phonogram, videogram or program, which are not authorized by the copyright or related rights owner. The private copying system is already strongly affected by technical measures and legal provisions exist in this regard. Following a few general observations, the case of private copying will be analyzed.

A. General Observations

3. There are rules to protect technical measures against circumvention, disablement or deletion. But there are no rules that impose the use of such measures to protect uses of works and other performances. Right owners have ample latitude. If a right owner resorts to such measures, the latter must be protected, just as works and other performances are, in the framework of copyright or related rights.

Protected technical measures include any technology, device, or component which, within the normal course of its operation, is intended to prevent or restrict uses of a work, performance, phonogram, videogram or program, which are not authorized by the copyright or related rights owner.

These technical measures must be effective, i.e., right owners must be able to control uses, by means of an access code, a protection process, such as encryption, or a copy control mechanism. These all need to function effectively. Protocols, encryption formats or methods are not necessarily protectable as technical measures, since they may be considered more like ideas. The qualifier “effective” is left to the appreciation of judges, when dealing with cases of circumvention of technical measures. A judge may very well decide —often on the basis of an expert report— that the technical measure at stake is not effective.

The circumvention of a technical measure is punishable, just as infringement of works or other performances are. Seizures and criminal sanctions may also be ordered against the person responsible for the circumvention or the person who contributed to it, within the conditions set out in the law.

There are legal rules dealing specifically with private copying. The digital format makes control over the reproduction of works possible, without encroaching on people’s privacy. Previously, it was virtually impossible to control the making of private copies without violating privacy rights.

B. The Private Copying Exception

4. The digital communication of works has led to a considerable increase both in the number and quality of private copies, thereby causing a prejudice to right owners. The three step test, adopted in several laws, justifies the limitations on the number of copies, and even justifies the impossibility to make a single copy.

5. The three step test now constitutes the cornerstone of the appreciation of the scope of exceptions. It was introduced in the Berne Convention at the Diplomatic Conference held in

Stockholm in 1967, concerning the right of reproduction.⁴ It was broadened in the Annex of the Marrakech Declaration of 15 April 1994, the Agreement on Trade Related Aspects of Intellectual Property (TRIPS). When considered as a special case, an exception cannot conflict with a normal exploitation of the work or other protected subject matter, nor unreasonably prejudice the legitimate interests of the right holder.

Were that to be the case, the exception would lose its exception status. Works and other performances of literary, musical, and artistic character are subject to many uncontrolled copies, in particular because of the evolution of the distribution of works on the Internet, including through peer to peer (P2P), and because of the disablement of technical protection measures. It is hence difficult to consider private copying as a special case in and of itself.

The conflict with a normal exploitation of the work or other protected subject matter refers to the activity by which right owners use their exclusive rights for their economic benefit. Exceptions or limitations are deemed not to conflict with a normal exploitation of a work “*if they are confined to a scope or degree that does not enter into economic competition with non-exempted uses.*”⁵

The French *Cour de cassation* applied the three step test in the case of an attempt to make a private copy of a DVD on an analog videocassette by the owner of the DVD.⁶ The court rendered its decision in light of the digital character of the exploitation of the film. It validated the impossibility to make a copy of the DVD, because of the eventual conflict with a normal exploitation of the work, which could set aside the private copying exception, the latter being “*appreciated in light of [1]) the inherent risks in the new digital environment regarding the safeguarding of copyright and [2]) of the economic importance that the exploitation of the work, as a DVD, represents to recoup the cinematographic production costs.*” In its decision, the *Cour de cassation* lays out the parameters for examination by trial judges, should such a case be submitted to them, insofar as judges must apply the three step test.

In France, as in other countries that have committed themselves to it, the three step test must be applied. Courts will have to decide whether there is a conflict with a normal exploitation of the work and an unreasonable prejudice to the legitimate interest of right holders, on a case by case basis, based on economic criteria, such as the ability to recoup production costs by exploiting the copied support (CD, DVD, or online access...). When confronted with the copy of a digital support, the trial judge will have to systematically examine the economic importance of the use of the work and interpret the facts. It remains to be determined whether the judge will statute according to the potential impact of the act of reproduction on an entire economic sector, or if it will limit its examination to the case at

⁴ Article 9(2): “It shall be a matter for legislation in the countries of the Union to permit the reproduction of such works in certain special cases, provided that such reproduction does not conflict with a normal exploitation of the work and does not unreasonably prejudice the legitimate interests of the author.”

These criteria, which set the general rules, were used in TRIPS, at Article 13, with some differences. TRIPS mentions “right owners” whereas the Berne Convention mentions “authors”. Moreover, the triple test is extended to all exceptions. It was also used in the 1996 WIPO Treaties: the WIPO Copyright Treaty (WCT) provides a provision similar to that of the Berne Convention, but for all exceptions, at Article 10; and the WIPO Performances and Phonograms Treaty (WPPT), at Article 16.

⁵ The three step test was meticulously specified by a World Trade Organization (WTO) panel. Reference is made to the panel’s in-depth analysis: Conclusions and Recommendations of 15 June 2000 on exceptions to exclusive rights included in Article 110(5) of the 1976 Copyright Law of the United States of America. See our article *Les exceptions au droit d’auteur : un nouvel avenir*, l’OMC statue sur les exceptions au droit d’auteur, *Com. com. électr.* June 2001.

⁶ *Mulholland Driv* : Cass. 1^{re} civ. 28 February 2006: *Com. com. électr.* 2006, comm. 56, note Ch. Caron ; JCP G 2006, II, 10084, note A. Lucas ; *Légipresse* 2006, n°231, III, p. 71, note V.L. Bénabou ; *Prop. Intell.* 2006, n° 19, p. 179, note A. Lucas ; JCP E 2006, 2178, n° 11, obs. H.J. Lucas ; *Prop. Ind.* 2006, comm. 61, note J. Schmidt-Szalewski ; *LPA* 2006, n° 153, p. 20

hand. For example, if the case concerns the reproduction of a single DVD by one single person, will the judge statute on this case only—in that case, it would be difficult for him to consider that there is a conflict with the normal exploitation of the work or other protected subject matter and that it causes an unreasonable prejudice to the legitimate interests of the right holder—or will he consider that such an act potentially contains many reproductions and hence, that the private copying exception can not be maintained?

6. Technical measures restrict the number of copies, and sometimes even prevent any copy, even if the law states that private copying or other exceptions shall not be precluded. If the law compels right owners to take measures that allow users to effectively benefit from exceptions, the same law however provides that right owners need not allow the exercise of exceptions, including private copying, when the work or other protected subject matter is available to the public according to contractual provisions agreed upon by the parties, in such a way for both to have access from a place and at a time chosen by them. Therefore when right owners allow access to a work by certain means, for instance, on a site accessible to the public, they need not grant users the benefit of the exception for other modes of dissemination and transmission of the work. The right to make a copy from any support or source disappears. The Directive of 22 May 2001 also foresees this solution (Article 6, 4⁷).⁸

From now on, the only obligation that rests on authors and other right owners relates to the possibility for the public to have access to the work, and eventually, in certain cases, to copy the work, but not to the possibility to copy any support on which the work may be fixed or from any source. The purpose behind the purchase of a support is not to make copies; it is to read the support.

A few laws adopt similar solutions. The Belgian law provides that if the works are accessible on websites, then the producer does not need to allow copying from the supports sold to the public. Indeed, despite the imperative character of exceptions in Belgian law, the Law of 22 May 2005 provides that “*One may however derogate by contract from the provisions set in sub-paragraph 1 when works are available to the public on demand according to contractual provisions in such a way for anyone to have access from a place and at a time individually chosen by them*”⁹ (our translation). In the digital world, the right owner could make the private copying exception disappear for works available on demand.

7. In addition, because of the improvements in the distribution of works on the Internet, including through peer to peer (P2P), and of the disablement of technical protection measures applied by right owners, many works or other performances are privately copied. Copies made from counterfeiting works may not benefit from the private copying exception, since copyright exceptions are meant to apply to works acquired legally. Moreover, because of the quantity of works that circulate on the Internet without authorization, copies fail to meet the requirements of the three step test. To authorize such acts in the name of private copying, which would thus cover the prior illegal activity, would amount to denying the very foundations of copyright law. It would amount to laundering the previously committed illicit acts. In addition to the fact that authorization of the private copy from an illegal source would not meet the first condition of the test—the special case—the second condition would not be met either. Indeed, control of the communication by technical measures is considered as a normal form of exploitation of works. And to argue that private copying is admissible, whether it derives from a legal or illegal source, would conflict, most seemingly, with a normal exploitation of works. The same could be said with regard to the third condition. It is difficult

⁷ “*The provisions of the first and second subparagraphs shall not apply to works or other subject-matter made available to the public on agreed contractual terms in such a way that members of the public may access them from a place and at a time individually chosen by them.*”

⁸ Generally however, individuals can not be prevented from making private copies of television programs.

⁹ Article 23bis of the Copyright Law modified by Law of 22 May 2005

to argue that, in addition to private copying from a legal source, authorization of private copying from an illegal source could be justified, and would not unreasonably prejudice the legitimate interests of right owners. The right to remuneration in itself can not justify the unreasonable prejudice thus caused.¹⁰

The three step test, which excludes private copies derived from illegally acquired works from the field of exceptions, justifies keeping the remuneration based on the sale of material or support, whether the copied work has a legal or illegal origin. Indeed, were remuneration to be excluded on this basis, right owners would not only be deprived of remuneration for the illegal dissemination of their works or other performances, in particular because of peer to peer (P2P) or disablement of technical protection measures, but also deprived of remuneration for private copying. It would be unfair, given that they have no particular responsibility regarding the illegal dissemination of their work or performance.

Technical measures often lead to extending control over the use of works beyond intellectual property rights. It has become a means to control access to works and to capture customers. Measures allowing interoperability of digital files are meant to reduce this capture.

II - A Limit to Technical Measures: Interoperability

8. A technical measure can not have the effect of extending the monopoly of authors and other right owners beyond the rights that the law grants them, by establishing, for example, a marketing scheme that would not be based on intellectual property rights. The purpose of interoperability is to prevent technical measures from compartmentalizing the market.

To our knowledge, only the French law includes detailed provisions on this question. According to this law, technical measures providers must communicate the information that is essential for interoperability, under specific conditions.¹¹

Uncertainties remain, which means that interoperability must find its place (A), as well as its system (B).

A. The Place of Interoperability

9. As the purpose of interoperability measures is to restrict the access rights that right owners assume beyond their rights, it is not indispensable to introduce interoperability as part of intellectual property law, since intellectual property rights are limited to the part of private rights that the legislator grants to right owners, rights which are limited in their scope and duration, and are provided with exceptions. Beyond, it is the public domain.

If interoperability enters the field of copyright and related rights, it is as a limitation, in fact a limitation on technical measures. Interoperability allows the circumvention, disablement or deletion of technical measures, subject to certain conditions.

Within the European Union, Directive of 22 May 2001 does not provide for interoperability in its long list of limitative exceptions at Article 5. Recital 54 indicates some orientations

¹⁰ See the Opinion of the Council of experts on copyright, No. SzJSzT 17/06 of 11 May 2006, on the legal status of private copying from illegal sources (Hungary)

¹¹ Article L331-5 CPI: “*Technical measures must not have the effect of preventing the effective application of interoperability, within the respect of copyright. Technical measures providers give access to essential information for interoperability in the conditions defined in Articles L. 331-6 and L. 331-7*”

favorable to interoperability, but they all fall outside of the object of the Directive.¹² The latter forbids legislators of the European Union from introducing exceptions other than those mentioned at Article 5. It is thus hard to see interoperability as an exception to copyright and related rights. Interoperability is a new element in copyright and related rights. One will have to observe how it gets implemented in practice.

This analysis leads us to observe two other difficulties: 1° distinguishing this interoperability from that admitted as an exception with regard to computer software and 2° distinguishing its system from the competition law system.

10. As far as software is concerned, interoperability is a classical exception. It is justified as it allows new software to function for future users. In that case, the person who creates new software does not need to ask for authorization from the author of the software if he wants to reproduce the software's code or to translate the form of that code when these acts are necessary to obtain the information needed for interoperability of the software. However the third party must have acquired the right to use a copy of the software that he wants to decompile.

The French legislator stated that the new provisions on interoperability apply without prejudice to the provisions on software interoperability. The context of interoperability in copyright and related rights and the context of software are different. In the first context, the aim is to allow users to use legally acquired works on any equipment, without the obstacle of market-protecting access codes. As concerns software, the aim is to allow the author of the software to make his software usable by potential users.

However, the two interoperabilities are close in that interoperability in copyright and related rights in fact deals with software; the goal is to make software compatible. While the objectives are different, the similar nature of the objects at stake entails that software interoperability under copyright and related rights should also meet the conditions set out in the software interoperability system. This cumulative application could lead to limiting the number of situations in which the new interoperability could apply, and most importantly, could cause difficulties. Regarding communication of information to third parties in copyright and related rights law publication of information on codes, including on source codes, will have to be secured, except in particular circumstances. Whereas interoperability—limitation to the rights on software— will not lead to the communication of interoperability codes to users. In the first case, communication will be the rule, in the second, not so.

11. Further, as far as competition law is concerned, the issue of interoperability is, in fact, pretty close to that of competition law. The main actors of interoperability will rather be the consumers than communication companies, equipment manufacturers or software producers. Moreover, the creation of a voluntarily closed system of communication of works in a proprietary system, especially if the company using such an economic scheme manages to acquire a substantial market share, may create artificial competition distortions, thereby preventing other industries from entering the market. Interoperability measures attempt to prevent this kind of situation, since even if the explicit purpose of a law is to prevent companies, as they propose works, from forcing consumers to change their equipment by voluntarily compartmentalizing the market without any particular benefit for the consumer, in reality there will potentially be a conflict with competition rules, since it will mostly be

¹² *“Important progress has been made in the international standardization of technical systems of identification of works and protected subject-matter in digital format. In an increasingly networked environment, differences between technological measures could lead to an incompatibility of systems within the Community. Compatibility and interoperability of the different systems should be encouraged. It would be highly desirable to encourage the development of global systems.”*

communication industries, equipment manufacturers or software producers that will be able to produce and establish software that permits interoperability.

The competition law dimension will depend on the alternatives available on the market for works and on the market for equipment designed to access these works. If the alternatives exist, there will be no competition law issue.

B. The Interoperability System

12. Interoperability must not cause infringement of intellectual property rights, thereby defining its scope of application. This point is major; otherwise interoperability would disable the technical measures meant to protect intellectual property rights, and this would conflict with the 1996 WIPO Treaties and, consequently, with national laws meant to protect technical measures against circumvention.

But the content of these rights must be specified. Indeed, any company that legally communicates its works owns an intellectual property right—copyright or related right—pursuant to a contract granting said rights. The owner of a legal downloading platform is the owner of a right to broadcast the work or protected performance. Often, such a company will not own an exclusive right and so, in that case, other companies will be able to conduct the same activity, leading to more communication channels of works and other protected performances.

In these conditions, how can one decide whether some systems are interoperable and therefore, compel a company to communicate to a third party the interoperability data that it owns on a technical measure, if this company holds intellectual property rights to broadcast its works from its established platform? Interoperability would necessarily result in infringing that company's intellectual property rights by affecting the technical measures.

Should the rights granted by the laws to the first owner, namely the author, performer, or producer, be limited according to the nature of the right at stake, and therefore should one consider that the same rights transferred among the several operators lose their "intellectual rights" nature? In that case, Internet operators, and more generally those in the telecommunications sector, would no longer own intellectual property rights, and this would thus justify the interoperability measures taken against them.

The place of interoperability and its reality will essentially depend on the rights granted to broadcasters, hence on the contracts concluded with authors and other right owners. These contracts will serve as references to determine the qualification of the rights that they will own, or eventually a law or case law which will determine the qualification of those rights. If they are not intellectual property rights, broadcasters will not be able to reject interoperability. If they are intellectual property rights, they will be able to justify their rejection of interoperability, in the limits set by competition rules, where other provisions are at play.

The transfer of rights will be the essential key of interoperability, whose main issue rests in the communication of the programming interfaces necessary to allow a technical device to access a work or subject matter protected by a technical measure.

13. If need be, the owner of the rights on the technical protection measure will have to communicate the information necessary for interoperability to any person that requests it. In practice, this will more often than not be the role of the technical measure provider, since he is the one who knows the characteristics of his software, even if the person who should do it should be the owner of the rights on the technical measure, since it is him who uses it and thus him who determines access control to works and other performances with his own

software. The contract between the provider of the technical measure and the right owner will have to define the information necessary for interoperability and provide a procedure for the transfer of this information. An escrow mechanism with a third party could be put in place to foresee the situation where the provider of the software or knowledge about the software would not be accessible.

Will the recipient of the information be the operators, the software publishers, the technical protection measures manufacturers, the service owners, or the public, the ultimate beneficiaries of interoperability?

A new right is perhaps in the making, which will be confronted to the global communication of works, according to the upcoming markets and the economic models to be established.

UNESCO ACTIVITIES

MUSICIANS AND MAGISTRATES IN THE FIGHT AGAINST PIRACY

During the month of September 2007, UNESCO organized two separate workshops for musicians and government officials in the Tanzanian capital, Dar es Salaam, as part of the Global Alliance's efforts to promote respect for copyright and the fight against piracy.

The first seminar, '**Copyright as a Tool for Music Industry Development**', held on 13 and 14 September in collaboration with local partner Music Mayday, brought together some of the country's top musicians and film-makers to discuss the detrimental consequences of piracy from an artist's perspective.

An **Anti-piracy Training for Trainers** (APTT) session was then held from 17 to 20 September for magistrates, customs officials and police superintendents from the five countries of the East African Community – Tanzania, Kenya, Uganda, Burundi, Rwanda – as well as Madagascar, Mauritius and Seychelles.

Over the course of the four days, the participants learned about mechanisms for detecting and measuring piracy as well as ways to reduce and prevent the widespread phenomenon. This is the second APTT seminar in Africa, with the first one being held in Namibia in 2006 for countries of Southern Africa. As before, the participants are now expected to train others in ways and means of enforcing existing legislation.

In a unique take on the fight against piracy, the officials attending the training had the chance to meet up with many of the performers from the previous seminar during a concert on their last evening. Renowned Dar es Salaam band, the Roots Rockers performed alongside featured artists Banana Zorro, Enika and Fid Q in a fusion of R'n'B and bongo flava.

This lively celebration of local music brought an end to a week-long discussion on how to stamp out piracy in East Africa and pave the way for a thriving and economically viable music industry in the region.

All events were organized thanks to funding from the Spanish Agency for International Cooperation.