



January 30, 2017

Congressman Bob Goodlatte  
2309 Rayburn HOB  
Washington, DC 20515

Congressman John Conyers, Jr.  
2426 Rayburn HOB  
Washington, DC 20515

**Re: House Judiciary Committee First U.S. Copyright Act Policy Proposal**

Dear Chairman Goodlatte and Ranking Member Conyers:

We would like to extend our support of Chairman Goodlatte and Ranking Member Conyers's first copyright policy proposal to modernize and reform the United States Copyright Office (USCO). Screen Actors Guild – American Federation of Television and Radio Artists (SAG-AFTRA) represents approximately 160,000 actors, announcers, broadcasters, journalists, dancers, DJs, news writers, news editors, program hosts, puppeteers, recording artists, singers, stunt performers, voiceover artists, and other media professionals. We are the nation's largest labor union representing media artists, and our members benefit from strong copyright policy and a well-functioning, impartial Copyright Office.

SAG-AFTRA has a uniquely vested interest in the outcome of this process, and we appreciate the opportunity to provide comment.

**SAG-AFTRA Uses the USCO Website and Catalogues Daily**

It is our intention to share with you our daily experience of using USCO's insufficient and outdated IT system. SAG-AFTRA enters into security agreements with many independent film production companies to assure payment obligations for our members. Financial assurances such as these greatly enhance our ability to collect wages and residual payments for our members. For 2015 and 2016 combined, we recorded over 1,000 security interests and associated documents relating to the copyright of Union-covered motion pictures. In the event of a foreclosure, we also use the IT system to record a transfer of interest in the film. Our staff spends considerable time printing received documents, copying originals, ordering copies of relevant documents, manually filling out the Document

Cover Sheet for each transaction, obtaining signatures for certified copies of originals, and preparing mailings. As a condition of this arrangement, producers must also register their works and record a chain-of-title with the USCO. In addition, our staff regularly searches the USCO's online catalogue to determine lien priority in bankruptcy proceedings and confirm rights transfers, secured interests, and the registration of works.

The USCO records are essential not only to copyright holders, but also to third parties who are stakeholders in copyrighted works. It is time Congress make a significant investment in USCO's strategic plan for IT modernization; such improvements will decrease lagging processing times, allow for more efficient electronic filing and verification options, and will enable the creation of a search engine compatible with 21<sup>st</sup> century business needs.

Practically speaking, the Office could substantially cut recordation processing time (presently taking 16 months) if it would couple electronic filing and signatures with smart form technologies that detect user error. Requiring users to mail in records only slows down the process, adds cost, and denies users the modern convenience of having drop-down options and automated scans for errors and omissions. USCO could also establish user accounts to store all recurring, standardized information, which would save the remitter and document specialist time and would reduce the margin of error.

By providing the public a more robust search engine, users will finally be able to locate a digital record without first having to sift through dozens of works sharing the same or similar title. Our staff has observed fluctuations in how reliable the registration database is. The eCO system is known to malfunction, and has occasionally shutdown altogether, such as the September, 2015 incident where a power outage left the system non-operational for over a week. We hope this new system will also integrate registration and recordation documents, and provide users with a more comprehensive chain of title and useful master record in one location.

We ask any funding considerations take into account user cost as we are a non-profit organization with limited resources.

### **The Register of Copyrights and USCO Needs Policy and Operational Autonomy**

SAG-AFTRA wishes to join the bipartisan call to codify USCO policy and operational autonomy from the Library of Congress. By finally making the Register of Copyrights a principal officer under the Constitution, USCO will be able to fully exercise the various authorities granted in the U.S. Copyright Act. Furthermore, it will give the American people the opportunity to weigh in on the Register selection process through their elected officials.

This government department is too often overlooked, especially considering its role in our nation's thriving creative economy. The core U.S. copyright industries contribute more than \$1.2 trillion dollars to the GDP and employ more than 5.5 million workers. Even just looking at its registration function, in fiscal year 2015, the Office issued over 443,000 registrations, adding to the world's largest compilation of copyright data. Data that is presently incomplete, because the Office has been ill-equipped to digitize 60 million hard copy registrations that were filed between 1870 and 1978. Not only is the USCO responsible for administering a dynamic body of law, the Register of Copyrights is often called upon to advise Congress, the courts, and executive branch agencies on complex domestic and international copyright policy. Such advice has been paramount to elected officials understanding and protecting a body of law critical to this major U.S. economic sector.

As articulated by both House and Senate Judiciary Committees, the best way for USCO to fulfil its vital mission is to grant the Office more independence, accountability, and authority to have the flexibility necessary to make decisions affecting its IT, budget, and staffing. It is our opinion that the Library of Congress lacks the subject matter expertise or organizational mission to appropriately provide insight on policy or oversee USCO operations. It is similarly ill-advised for these two entities to share an IT system, which will be designed primarily with the Library's archival duties in mind. We firmly believe the continued success of copyright policy and administration will require the Register of Copyrights to be a principal officer under the Constitution, nominated by the President and confirmed by the Senate.

We applaud the committee for embarking on this journey to modernize the USCO, and to bring the Copyright Act into the 21<sup>st</sup> century. Now that Chairman Goodlatte is concluding his comprehensive review, we urge Congress to act swiftly in granting USCO and the Register of Copyrights its much awaited autonomy.

Sincerely,

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Director and Counsel, Government Affairs and Public Policy

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