

Computer and Communications Industry Association calculates worth of fair use

by Kat Walsh, OITP Policy Analyst

How much is fair use worth to the U.S. economy? About \$4.7 trillion dollars per year, according to a study commissioned by the Computer and Communications Industry Association (CCIA). (View the report at www.ccia.net.org/index.asp?sid=5&artid=158&evtf lg=False.)

The CCIA report, published on April 26, tallied the revenues of industries that depend on fair use and came up with the colossal number, a 36 percent increase over revenues from 2002. Jobs in those industries rose from 16.9 million to 17.5 million, or one out of eight U.S. workers. The study considered industries such as electronics, media, finance, and education as dependent on limitations and exceptions to copyright.

In a panel on April 27, Representative Zoe Lofgren (D-CA), American University professor Peter Jaszi, CCIA President and CEO Ed Black, and study authors Thomas Rogers and Andrew Szamosszegi from Capital Trade used the study to launch a discussion on the economic importance of fair use.

"Gaps in copyright aren't a bug," Jaszi says, "they're a feature." Technological innovations that weren't anticipated by copyright law depend on limitations and exceptions: the DVD player, the copy machine, TiVo. Cultural productions depend on the ability to criticize and reference other works. Schools would be stifled without exceptions for educational use and research.

Another study by the Center for Social Media (www.centerforsocialmedia.org/resources/publications/clipping_our_own_wings_copyright_and_creativity_in_communication_research/) on copyright and communication research shows how copy-

right concerns affect research. And, of course, without fair use, libraries would be unable to fulfill their mission of making information accessible to all.

It may seem outlandish to describe the value created by fair use as the total revenues from every industry benefiting from copyright limitations. But it raises the question: Why it is reasonable to claim the value of copyright, as so many do, as all revenue from industries that benefit from protection? (It is no mistake that these are often the same industries.) Lofgren urged the United States not to overlook the immense economic value created by limitations to copyright and to recognize it in public discourse and public policy. Arguments about preserving freedom and good governance don't always win over Congress, she said, but compelling economic arguments often do.

The CCIA study comes on the heels of one released by the U.S. Chamber of Commerce's Global Intellectual Property Center (GIPC). (View the report at www.theglobalipcenter.com/pressreleases/new-study-demonstrates-importance-intellectual-property-rights-american-jobs-and-compe.) GIPC reports that "IP-intensive" industries have driven growth, job creation, international trade, and R&D spending. But it then asserts that stronger IP enforcement and protection is needed to spur further growth—a conclusion that seems to have no support in their findings.

One thing both studies makes clear is that information and ideas are driving the 21st-century economy, creating tremendous value. The current administration has been only too ready to use this knowledge as justification for even more restrictive IP policies. (One such example is Anti-Counterfeiting Trade Agreement (ACTA), an international trade agreement currently being negotiated that would require trading partners to have strong IP enforcement policies.) The CCIA study needs to find its way to decision-makers, and challenge their assumptions about what's really needed for a culture of innovation and growth. *zt*

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