



copyright alliance

POSITION PAPER

The Copyright Alliance Supports the Creation of a Small Copyright Claims Process

Copyright vests in a work as soon as it is created, but for many creators, protecting their rights is out of reach. Federal courts have exclusive jurisdiction over copyright, and federal litigation is not cheap. According to a survey by the American Bar Association Section of Intellectual Property, most attorneys won't even consider taking a case if the amount at stake is less than \$30,000. Visual and literary artists are particularly hurt because the individual value of their works or transactions is often below that amount. Today the Copyright Act all too often leaves these creators with rights but no effective remedies. As the Copyright Office has stated: "[a]s a practical matter, except for large corporate copyright owners, our current copyright laws are virtually unenforceable when it comes to the infringement of visual works."¹

To address this problem, the Copyright Office released a study in 2013 that recommended the creation of a simplified process for resolving lower value copyright claims. This voluntary dispute resolution system proposed would be centralized in the USCO and only hear claims with an amount at stake under \$30,000. It would be designed to provide an easy and streamlined process for creators—including the ability to conduct proceedings remotely.

¹ U.S. COPYRIGHT OFFICE, COPYRIGHT SMALL CLAIMS, A REPORT OF THE REGISTER OF COPYRIGHTS 1 (2013), available at <http://copyright.gov/docs/smallclaims/usco-smallcopyrightclaims.pdf>.



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The Copyright Alliance supports the creation of a small claims system with the following characteristics, many of which are reflected in the Copyright Office's proposal:

- Deters copyright infringement, , promotes the creation of both new works and authorized derivative works, and encourages the licensing of copyrighted works;
- Affords independent creators and small businesses with a viable, streamlined, straightforward, and cost-effective alternative to the expensive and burdensome federal court litigation;
- Allows defendants to opt out within a fixed time frame;
- Provides effective remedies to plaintiffs, and incentivizes participation by defendants;
- Appropriately limits the scope and nature of claims and counterclaims;
- Discourages frivolous or “nuisance” claims, counterclaims and defenses.