

## **CROSS-BORDER COPYRIGHT GUIDE 2018**



# Italy

### Carnelutti Studio Legale Associato, Margherita Bariè/Marco Annoni



### 1. Legislation and regulation

#### 1.1 What are the main sources of copyright law?

The main source of copyright legislation in Italy is Italian Law no. 633 of 22 April 1941 (ICL), and its subsequent amendments, which substantially enforce the Berne Convention for the Protection of Literary and Artistic Works of 1886.

As Italy is a member of the European Union, Italian legislation must be interpreted and applied by the judiciary in accordance with European Directives and Regulations which have direct effect.

### 2. Subsistence of copyright

#### 2.1 What type of works can be protected by copyright?

The categories of work covered by Art 2 ICL are: literary, dramatic, scientific, didactic, religious works, musical and artistic works, choreographic and pantomimic works, designs and architectural works, films and cinematographic works, photographs, software, databases and industrial designs. These are broad categories and can be summarised as follows:

#### Literary works

These are any works (other than dramatic, scientific, didactic or religious works) which are written or expressed orally.

#### Dramatic works

A dramatic work includes a work of dance or mime; for example, this might be a script for a play, a dance routine that has been choreographed or a screenplay of a book for film.

#### **Musical works**

These are works consisting of music, and specifically lyric or symphonic works, songs both constituted by solely music and the ones having also music and lyrics. Music is defined as a combination of sounds for listening to - it is not the same as mere noise.

#### Designs and architectural works

These include designs or architectural works related to buildings, interior design, urban plans and also gardens if they consist of a single project. These include also industrial designs, even if these have fallen within the public domain before 19 April 2001.

#### Artistic works

A graphic work, sculpture, painting, figurative work, engraving or scenographic work. A graphic work is broad in scope and can be, amongst other things, a painting, drawing, diagram, map, chart or plan, engraving or an etching.

#### Films and cinematographic works

The ICL does not provide a specific definition of such works. However, this category includes all cinematographic works having creative character that are destined to be broadcast in a cinema.

#### Photographs

This category includes all photographs having creative character in light of the combination of certain aspects such as, among other things, the particular lights or colours used by the photographer, the effects applied, the subject, etc.

#### Software

Software concerns all the specific information stored in certain hardware.

The abovementioned list of copyright-protected works is not exclusive. Therefore, other type of works, such as TV formats, can be covered by copyright protection as long as they possess the requirements outlined by the Law as detailed at 2.2.

## 2.2 What is required for works to qualify for copyright protection?

A work may be protected by copyright if it contains:

- novelty
- creative character
- legitimate aim.

### 2.3 What rights does copyright grant to the rights holder?

The ICL sets out both the exclusive moral and economic rights of the rights holder arising from copyright (before any licence is granted).

In particular, the ICL provides to rights holders the right of:

- use of their work
- publication of the work
- communication of the work to the public, including the right to make the work available to the public
- reproduction of the work
- elaboration of the work
- synchronisation
- economic exploitation of the work
- issuing copies and the renting or lending of the work to the public
- showing or playing the work to the public.

Rights holders also have the moral rights described in 2.4.

# 2.4 Are moral rights protected (for example, rights to be identified as an author of a work or to object to derogatory treatment of a work)?

Yes. In Italy, the following moral rights are provided for by Articles 10-24 of the ICL:

- the right to be identified as the author of a copyright work
- the right to object to derogatory treatment or modification of your copyright work (save for architectural works, where the rights holder cannot oppose amendments that are necessary during their creation or other amendments that are necessary for the work)
- the right for the author using a pseudonym to reveal their identity to the public
- the right not to suffer false attribution of the authorship of a copyright-protected work
- the right to disclaim the paternity of a work.

## 2.5 What is the duration of copyright in protected works?

The duration of protection for copyright works varies according to the type of work and the date of creation. In general, the duration of copyright protection is as follows:

#### Category of work

Literary, dramatic, musical or artistic works, databases, software or industrial designs

#### Duration

Copyright expires 70 years from the end of the calendar year in which the author dies.

Where a work has a joint author/co-author, 70 years from the end of the calendar year in which the last known author dies (Art. 26 ICL). Where the author's identity is unknown, copyright expires 70 years from the end of the calendar year in which the work was created or made available to the public (Art. 27).

#### Category of work

#### Films

#### Duration

For films, the reference point is the end of the calendar year in which the last living author dies, among the ones indicated in Art. 35 ICL. Copyright then lasts until 70 years after.

Category of work

Broadcasts

#### Duration

Copyright in a broadcast expires 50 years from the end of the calendar year in which the broadcast was made or from its first publication according to Art. 75 ICL.

#### Category of work

Photographs

#### Duration

Copyright in a photograph expires 70 years from the end of the calendar year in which the author dies (Art. 32-*bis* ICL).

## 2.6 For how long do moral rights subsist in copyright works?

The author's moral rights are personal and inalienable, which means that they last for the life of the author. However, accordingly to Art. 23 ICL, the heirs of the author are entitled to start an action, without any time limitation, aimed at obtaining the ascertainment of the moral rights of the author provided by Art. 20 ICL.

### 3. Ownership

#### 3.1 Who is the first owner of a copyright work?

Pursuant to Art. 8 ICL, the first owner of the copyright is the person who is indicated as the author of the work. This means that the person who is shown as the author (or is announced as such) in the course of the recitation, performance or broadcasting of a work shall be deemed to be the author of the work, save proof to the contrary. The main exception to the rule is to be found where the work was made by a person in the course of their employment; in those circumstances, the employer is the first owner unless there is an agreement to the contrary.

### 3.2 Can copyright in a work be jointly owned? If so, what are the rights of a co-owner?

Copyright in a work can be jointly owned by two or more persons. This can occur where a work is created by more than one person or where there is an assignment of the whole or of part of a work. To qualify as joint authors it is necessary that the contributions of each author are not distinct. If they're distinct then two works subsist, each with separate copyright. According to Art. 10.2 ICL, should no different agreement occur between the parties, each portion of co-authorship is considered equal to the other one. Joint owners have their own individual rights with respect to the work that can be assigned independently of the other or others, but the consent of all joint authors is required for licensing the use of the copyright-protected work. Should the work be unpublished, it cannot be published, amended or used in a manner different from the one used in the first publication without the consent of all the joint authors. Should any co-author refuse, publication, modification or new utilisation of the work may be authorised by the judicial authority (Art. 10.3 ICL).

# 3.3 Can you register copyright? If so, what are the benefits of such registration and what other steps, if any, can you take to help you bring an infringement action?

Copyright is an unregistered right in Italy; it arises automatically upon creation of the work. There is no registration system. Nevertheless, the author may file a copyright notice with the Italian Collecting Society (SIAE), which may prove useful to evidence ownership of copyright and the date of authorship. This creates a presumption that the named person is the author and puts third parties on notice of the rights, but copyright subsists without such notice and the failure to display such notice does not affect copyright in a work.

## 3.4 What steps should you take to validly transfer, assign or license copyright?

According to Italian law only the economic rights can be assigned or transferred. An assignment of economic rights must be in writing, signed by or on behalf of the copyright owner pursuant to Article 110 ICL. A licence of copyright must be in writing.

## 3.5 Can moral rights be transferred, assigned or licensed?

No. According to Art. 22 ICL, moral rights cannot be waived or assigned.

### 4. Infringement

Owners of copyright can take legal action if any of their exclusive rights (as set out in 2.3 above) have been infringed. Even if not specifically provided for by Italian copyright law, courts normally recognise the existence of two classes of infringement: primary infringement and secondary infringement.

## 4.1 What acts constitute primary infringement of copyright?

Primary infringement occurs where a person performs any of the following acts without the consent of the rights holder.

- copying
- issuing copies of the work to the public
- renting or lending the work to the public
- performing, showing or playing a copyright work in public
- communicating the work to the public
- making an adaptation of a copyright work or doing any of the acts listed above in relation to an adaptation.

Primary infringements are strict liability offences. This means that there is no need to show that the alleged infringer had knowledge of another's subsisting right, or intention to infringe that right.

### 4.2 What acts constitute secondary infringement of copyright?

Secondary infringement occurs where a person, with knowledge or reasonable grounds for such knowledge:

- imports, exhibits or distributes, sells, lets or offers for hire the copyright work
- deals in articles adapted for making copies of copyright work
- transmits a copyright work via a telecommunications system
- gives permission for use of a public place for a performance that infringes the copyright
- supplies apparatus for playing recordings that would show a copyright work in public
- gives permission to use their premises to show a copyright work to the public
- supplies a copy of a sound recording which has been used to perform a copyright work to the public.

## 4.3 What acts are permitted with respect to copyright works (ie what exceptions apply)?

There are a number of acts that can be carried out in relation to copyright works despite the fact that they

might be protected by copyright. The ICL provides certain acts that constitute a sort of exception to the copyright limitations. They include (amongst others):

#### Act

Use or reproduction of an article related to economic, political, religious or topical arguments

#### Description

Such articles can be reproduced or made available to the public when the use or the reproduction has not been prohibited as long as the origin of the work, the name of the author and the date of creation of the work are indicated (Art. 65 ICL). The same provisions apply for works reproduced in Parliament or during judicial or administrative procedures for public security reasons (Art. 67 ICL).

#### Act

Personal copies for private use

#### Description

The making of a copy (of a single work stored in a library) that is made for the individual's personal and private use and not for ends that are directly or indirectly commercial or aimed at making work publicly available (Art. 68 ICL and 71-sexies ICL).

#### Act

Research and private study

#### Description

Research is permitted where a person is researching for a non-commercial reason or for teaching or scientific purposes (Art. 70.2 ICL). Copying is always allowed for private study.

#### Act

Criticism or scientific purposes

#### Description

Where the copyright work is being used for criticism or scientific purpose. Where the work is to be used for teaching or scientific research purposes, it is not to be used for commercial reasons (Art. 70.1 ICL).

#### Act

Quotation

#### Description

Including where the use is for criticism and review, quotations are permitted as long as the quotation includes an indication concerning the name of the author, the title of the work, the editor, and the translator, should they occur in the original work (Art. 70.3 ICL)

#### Act

#### Parody

#### Description

The use of a work for the purpose of parody is not expressly provided for by the ICL. Nevertheless, such exception could be implied from the provisions indicated in Art. 70 ICL that allow the use of a work for criticism purposes.

# 4.4 Is it permissible to provide a hyperlink to, or frame, a work protected by copyright? If so, in what circumstances?

Italian copyright law does not provide specific provisions on the use of a hyperlink to, or a frame of, a work covered by copyright. Nevertheless, there is guidance from case law and, in particular, from the decisions issued by the CJEU. Among the most recent, reference is made to the decision related to the case Nils Svensson v Retriever Sverige (C-466/12). This CJEU decision determined whether linking to or framing links to copyright material without consent is a 'communication to the public' and therefore infringes the rights holder's 'communication to the public' exclusive right. The CJEU emphasised that to be a communication to the public, a link would have to be a communication to a 'new' public; ie a public not in the contemplation of the rights holder when they published the work. As a result, when a person uploads copyright-protected material to the internet, the public to which this material is communicated is the internet at large. Therefore, linking to a work freely available on the internet does not communicate that work to a 'new' public.

However, where a work is not freely available on the internet, such as where the work sits behind a paywall, the copyright owner cannot be said to have communicated with the internet as a whole, and so linking to that work in a way that circumvents the paywall would constitute a communication to the public, resulting in an infringement of the rights of the rights holder. The Svensson decision left unresolved issues. For example, it has been wondered which reasoning should be applied in the eventuality that a link, provided on a website, leads to material that has been published without the author's authorisation. By applying the abovementioned CJEU reasoning of the Svensson case, the author has no 'new public' in mind when his work was published without his previous authorisation, which means that every public has to be considered 'new'. Hence, hyperlinking to an unauthorised work should presumably result in an unauthorised communication to the public.

In contrast with the above said reasoning, but accordingly with the concept of linking as communication to the public as expressed in *Svensson* case, the CJEU recently ruled on the abovementioned matter in *GS Media BV v Sanoma Media Netherlands BV* (C-160/15). In its decision, the Court stated that posting a hyperlink to a protected work that has been published on another website without the previous authorisation of the copyright owner does not constitute an infringement of the 'communication to the public' right.

However, this pronouncement has been mitigated by certain requirements. In this respect, the Court established that the hyperlink must be provided without the pursuit of financial gain, by a person who was not aware of, or could not reasonably have been aware of, the illegal nature of the publication of the protected work. If the hyperlink is provided for such purpose (that of financial gain), knowledge must be presumed (these requirements have been recently applied in the CJEU decision of 26 April 2017 *Stichting Brein v Wullems t/a Filmspeler*, C-527/15 – see section 7.1).

Notwithstanding the CJEU's attempt to provide for some guidance in reference to hyperlinking, it must be stressed that the abovementioned requirements have not been further specified. This means that national courts will have the challenging task of defining both the concept of 'financial gain' and of 'reasonably aware', with results that may vary according to the facts involved.

### 4.5 Is a licensee of copyright able to bring an infringement action?

Under ICL, an infringement of copyright is actionable by the copyright owner or their heirs. When copyright is licensed, according to Article 167 ICL an action may be brought by the subject who represents the rights owner. Thus, an exclusive licence authorises the licensee to exercise a right which would otherwise be exercisable exclusively by the copyright owner. One such right is the right to bring an infringement action. Nevertheless, according to certain Italian legislative provisions and case law, a non-exclusive licensee may also bring an infringement action should the licensee have the power to represent the owner according to Article 167.1 let. b) ICL.

### 5. Remedies

## 5.1 What remedies are available against a copyright infringer?

The ICL provides the following remedies for rights holders:

- interim injunctions (including freezing orders, disclosing the name of the subjects involved in the marketing or distribution of the infringing products, exhibition orders related to the accounts and financial documents belonging to the infringing party)
- delivery up of infringing articles
- seizure or description of infringing articles
- forfeiture of infringing articles
- destruction of the infringing material
- an injunction against the infringer
- act for the damages compensation arising from the infringement.

## 5.2 Are there any specific remedies for online copyright infringement?

Where it appears that a website is displaying infringing material, rights owners can seek an injunction from the court ordering the internet service provider (ISP) to block the website as a preliminary injunction measure.

#### 5.3 Under what circumstances is copyright infringement a criminal act and what sanctions may apply?

There are a number of criminal acts under the ICL in relation to copyright. The main offences relate to selling, distributing or making available for sale copies of a copyright work, but there are offences for the reproduction or duplication of the infringing copy. The sanction for committing a criminal offence in relation to copyright is likely to be a fine and/or a prison sentence. If an offence is committed by a company and it is proven that an individual officer of the company consented to committing the offence, that officer can also be liable for the criminal act. The penalties for copyright crimes are various and include fines, administrative sanctions and prison. The fines for a copyright infringement range from €2,582 to €25,822 for each crime. The administrative sanctions range from €103 to €1,032 for each crime. Should prison sentences be applicable, these range from one to four years for each crime.

## 5.4 Is there a time limit for bringing a copyright infringement claim?

Italian copyright law does not provide any time limit for bringing an infringement action. Nevertheless, according to the leading Italian case law, for the granting of a preliminary injunction proceeding, the urgency requirement (together with the likelihood of the right) has to occur. According to Italian case law, the urgency requirement requires that the action has to be started within approximately six to eight months from when the applicant became aware of the infringement.

#### 5.5 Can legal (or any other) costs be recovered in an action for copyright infringement? If so, what percentage of costs will typically be recovered by the successful party?

In Italy, the general rule is that the unsuccessful party pays the costs of the successful party. However, this is subject to the very wide discretion of the court, who can order otherwise and the costs could be shared by the parties should the final decision only partially grant the claims of one party.

### 6. Enforcement

# 6.1 What courts can you bring a copyright infringement action in, and what monetary thresholds, if any, apply?

The Italian legal system provides that on copyright matters the Specialised Division on Company Matters has the relevant jurisdiction. The value of the case has to be indicated within the first stage of the proceeding (ie when the writ of summons or the preliminary injunction application is served/filed) and the courts have jurisdiction also for cases where the value, for various reasons, cannot be determined.

### 6.2 Are there any other ways in which you can enforce copyright?

#### Seizure

A copyright holder may request seizure by Customs of infringing copies being imported into Italy.

#### Criminal proceedings

Criminal proceedings, although rare, can be brought on the grounds described in 5.3 above, and pursued through the criminal courts.

# 6.3 What agency bodies are responsible for promoting and/or enforcing copyright? What do they do?

See point 6.1 above.

# 6.4 What are the main collective rights management agencies that operate in your jurisdiction and who do they represent?

In Italy, the rights of the authors are managed from an administrative point of view by the Italian Collecting Society (SIAE) described in 3.3 above, which substantially allows the authors to obtain a notice concerning the existence of their rights, as well as the operating dates of their rights.

### 6.5 Are copyright levies payable? By whom, and in what circumstances?

According to Article 71 ICL copyright levies are not payable in Italy where an exception applies, such as the exception for private copying without commercial purposes.

### 7. Copyright reform

7.1 What do you consider to be the top two recent copyright developments?

#### Further developments on hyperlinking and 'communication to the public'

On 26 April 2017, the CJEU rendered its decision in case C-527/15, *Stichting Brein v Wullems t/a Filmspeler*, where it was requested to establish whether, among other things, it constitutes a communication to the public with the sale of a product (a multimedia player named 'Filmspeler') in which the seller installed certain add-ons containing hyperlinks to websites on which copyright-protected works were made directly available to the public without the prior authorisation of the rights holder.

The CJEU stated that, as already confirmed in previous cases such as the *Svensson* and the *GS Media* decisions (highlighted above at 4.4), in order to establish whether there is a communication to the public, it is necessary to determine if the contested behavior constitutes an 'act of communication' and if said communication is aimed to a 'public'.

With reference to the concept of an 'act of communication', the CJEU considered that there is an act of communication by a user when he "intervenes, in full knowledge of the consequences of his action, to give access to a protected work to his customers and does so, in particular, where, in the absence of that intervention, his customers would not be able to enjoy the broadcast of the work".

Moreover, the CJEU specified that, notwithstanding the fact that according to Recital 27 of Directive 2001/29/EC the mere supply of physical facilities for enabling or making a communication does not by itself amount to an 'act of communication', there is an act of communication where said physical facilities allow their users to access copyrightprotected works.

In light of the above, the Court concluded that the seller's behaviour constituted an act of communication. This was due to the fact that he installed in the multimedia player 'Filmspeler', with full knowledge of the consequences of his action, add-ons that allowed the purchasers to enjoy the copyright-protected works published on streaming websites without the prior authorisation of the rights holders.

With reference to the concept of 'public', the CJEU stated that there is a communication to the 'public', when the work is communicated to "a public that was not already taken into account by the copyright holders when they authorised the initial communication to the public of their work". Moreover, by referring to the case in suit, the CJEU also considered the further requirements set forth by the GS Media decision in order to establish whether the hyperlinks posted by the user constituted an act of communication to the 'public'. More specifically, the CJEU considered:

- whether the seller "knew or ought to have known that the hyperlink he posted provides access to a work illegally placed on the internet";
- whether the link "allows users of the website on which it is posted to circumvent the restrictions put in place by the site where the protected work is posted in order to restrict the public's access to its own subscribers";
- whether "the posting of the link is carried out for profit", as in this case "it must be presumed that that posting has occurred with the full knowledge of the protected nature of the work".

On this point, the CJEU concluded that there were no doubts that the sale of the multimedia player 'Filmspeler' constituted an act of communication to the public. Such sale was made for profit and the seller had full knowledge of the fact that the hyperlinks provided through the add-ons allowed the users to access copyright-protected works made available on the internet without authorisation.

The abovementioned decision provides further guidance on how the connection between hyperlinking and communication to the public has to be interpreted.

#### Legislative Decree no. 35 of 15 March 2017

On 11 April 2017, the Legislative Decree no. 35 of 15 March 2017 (Decree 35/2017) entered into force. The decree imposed the European Parliament Directive 2014/26/UE on collective management of copyright and related rights and multi-territorial licensing of rights in musical works for online use in the internal market.

Decree 35/2017 provides the requirements that are necessary for granting the proper functioning of collective management organisations and independent management entities with reference to the managing of the authors' copyright and related rights, as well as the requirements that said entities must meet for granting multi-territorial licences.

Therefore, the aim of the abovementioned Directive was to establish a specific set of rules for collecting societies in order to ensure a high standard of governance, financial management, transparency and reporting, as well as to boost competition amongst said entities in the European Union. In this respect, it was expected that Decree 35/2017 would have ended the long-discussed monopoly of the Italian collecting society (SIAE), allowing authors to entrust the management of all their rights to other entities. However, said expectations have been disappointed. In fact, according to Article 4 of the Decree 35/2017 "the rights holders may entrust the management of their rights (which include both copyright and related rights) [...] to a collective management organisation or to an independent management entity, irrespective of the Country of the European Union, of nationality, residence or establishment of the collective management organisation or of the independent management entity or of the rights holder, except as provided for by Article no. 180 of the Italian Law of April 22, 1941, no. 633 (Italian Copyright Law, ICL), with exclusive reference to the activity of intermediation of the authors' copyright".

In this respect, Article no. 180 of ICL establishes that "The right to act as an intermediary in any manner [...] shall belong exclusively to the SIAE [...]".

Hence, according to the abovementioned provisions, it seems that SIAE will maintain its monopoly with reference to the activity of intermediation related to copyrights, whilst the other entities will be able to act as intermediary with exclusive reference to related rights.

In conclusion, in light of the abovementioned exception, it seems that Decree 35/2017 did not completely fulfill the objectives set forth by Directive 2014/26/UE of boosting competition amongst collecting societies. Therefore, it can be expected that there might be further developments on this subject in the near future.

## 7.2 What do you consider will be the top copyright development in the next few years?

#### Digital Single Market Strategy for Europe

On 6 May 2015, The European Commission released its Digital Single Market Strategy for Europe. The Commission's stated aim is to "make the EU's single market fit for the digital age – tearing down regulatory walls and moving from 28 national markets to a single one". Copyright forms a central component of the strategy (but perhaps not as central as many had hoped) in the following areas:

- the harmonisation of copyright law between Member States
- the introduction of cross-border e-commerce rules
- bringing an end to 'unjustified' geo-blocking (the practice of denying consumers access to a website

- based on their location, or re-routing them to a local website, often with different pricing)
- strengthening the copyright enforcement system against commercial-scale infringements.

On 9 September 2016, the European Commission issued a proposal of a Directive on Copyright in the Digital Single Market.

Although the provisions contained therein may be subject to further amendments, the underlying principles are worth mentioning. In particular, among other things, the proposed Directive aims to:

- introduce three new mandatory exceptions related to
  i) text and data mining (Article No. 3); ii) use of works
  and other subject matter in digital and cross-border
  teaching activities (Article No. 4); and iii) preservation of
  cultural heritage (Article No. 5)
- impose that Member States grant publishers of press publications the right of 'reproduction' and of 'making available to the public' with reference to the digital use of their press publications (Article No. 11)
- impose on information society service providers (ISSPs) storing and providing a large amount of works or other subject matter uploaded by users (eg YouTube) to take, in cooperation with the rights holders, appropriate and proportionate measures to ensure the functioning of the agreements concluded with the rights holders and/ or preventing the availability, on their service, of works or other subject matter identified by the rights holders through the cooperation with the ISSPs (Article No. 13)
- introduce provisions ensuring that authors and performers will, on a regular basis, receive adequate and sufficient information concerning the exploitation of their works and performances from those to whom their rights were licensed (Article No. 14)
- introduce provisions ensuring that authors and performers will be entitled to request additional and appropriate remuneration from the party with whom they entered into a contract for the exploitation of their rights (Article No. 15).

It will be interesting to follow the future developments of the Directive to see if the abovementioned proposed provisions will be maintained or amended, as well as to see if other provisions will be introduced.

#### The impact of blockchain technology on copyright

Blockchain is probably one of the most discussed technologies of the last few years. Originally known primarily as the technology behind the Bitcoin, today it is seen as the key to a new era of technology. Before going through the implications blockchain has relating to copyright, it is important to understand what this technology does. Blockchain technology is essentially a database (or ledger) of virtually any type of recordable information, made up of 'blocks', or stored data, chained together to form a cohesive, unbroken record of that information.

The reasons for its rapid and uncontrollable development are its characteristics and simplicity. Once a piece of information is stored on a block of the chain, it will also be shared with the other blocks belonging to the same chain. Every successive alteration of the data stored in the blockchain will be recorded on all the blocks of the chain in order to create a timestamp or history of the information. Since the information and its successive modifications will be recorded on all the different blocks of the chain, it would be nearly impossible to hack or falsify the information in suit.

Blockchain, in fact, is an incorruptible digital ledger of economic transactions that can be programmed to record not just financial transactions but virtually any information of value. This means that, for the first time, technology will allow consumers and suppliers to connect directly and perform digital transactions without need of a third party.

The arrival of blockchain forms the foundation of a revolution around value transactions, whether those transactions are based on money, goods or (intellectual) property. Its importance is not limited to this. Since every transaction and/or piece of information is recorded and distributed on a public ledger, its potential uses may be almost limitless.

Therefore, blockchain technology might also be a turning point in copyright. The implementation of this technology in the copyright field would allow, for instance, to:

- simplify the cataloging and storing of original works of art, documents, manuscripts, photographs and images, as it does not require the activity of any central authority, such as collecting societies
- recover a verifiable copy of an original work stored on the blockchain system. These verifiable copies would still remain on the blockchain even if the blockchain copyright service provided by a third party should cease to exist
- easily trace and verify the ownership of copyrighted works (especially where multiple authors are involved, eg works composed of sound, video and text elements). Traceable ownership is a problem domain that blockchain is especially well suited for

• grant the power to authors and rights holders to track online the usage of their works and to control whether there is any unauthorised use. In fact, this tool provides copyright owners with a timestamp of their works, creating a permanent record of their work and issuing a copyright certificate.

Blockchain is currently a technology used only by private companies around the world. In this respect, there are already many websites implementing blockchain technology, which allow rights holders to register their works and, hence, to protect them against possible infringements.

As yet, blockchain technology remains unregulated by Member States. However, considering the implications that this technology might have for various areas, including copyright, an increasing acceptance of this tool will probably follow.

#### © RPC, or the relevant contributors, 2018

The information contained in this publication is a general guide and is not a substitute for specific legal advice. No responsibility is accepted for any errors or omissions.