



A Message from the Registrar

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This annual report

for Fiscal Year 2005 highlights the Copyright Office's many contributions and accomplishments. The year will be remembered for an amount of activity that was significantly higher than most years. Two areas deserve special mention here.

First is our seven-year Reengineering Program initiative. When implemented, it will result in fundamental changes and will provide better service to authors, copyright owners, cable systems, satellite carriers and others who use statutory licenses, and the general public. This massive, complex effort involves redesigning our processes, organizational structure, IT systems, and facilities. Change is always difficult, and change of this magnitude can be disruptive. This has been a particularly challenging year. We began the implementation phase, testing various concepts and technologies, designing new registration forms, drafting new practices, and preparing for our temporary move to off-site space while our permanent space and facilities in the Library's Madison Building are being reconfigured and constructed. Management and staff worked hard gaining new expertise in digital systems and in conducting business online. There were three pilot programs—one dealing with registration of motion pictures, one dealing with selection of materials for the Library's collections, and one focusing on deposit through the Internet of digital copies of works published only online.



Second is our policy and legal activities. With respect to legislative activities, we spent considerable time searching for a legislative solution to create a workable licensing scheme for legitimate online music services. We met numerous times with the various interested parties (music publishers, record companies, online music services, songwriters, and performing rights organizations), drafted a discussion bill that was the subject of a House hearing at which I was the only witness, and testified in a Senate hearing on this issue. Following this activity, the Office continued to work with the Congress and the interested parties on the issues, and I hope that I will be able to report on concrete results in the next annual report.

In response to the Family Entertainment and Copyright Act, enacted in April 2005, the Office implemented a new preregistration system within the six-month statutory period. Preregistration is for unpublished works being prepared for commercial delivery, which are likely to be pirated before publication and distributed on the Internet. We created a new, totally online system that became operational on November 15, 2005.

There was considerable litigation activity. The Supreme Court handed down its decision in *Metro-Goldwyn Mayer Studios, Inc. v. Grokster, Ltd.*, the most significant copyright case in years. As described in more detail later in this report, the court found that those who induce users of their products and services to infringe copyrighted works can be held liable for secondary copyright infringement. A few months after this decision, I testified before the Senate Judiciary Committee in its hearing on “protecting copyright and innovation in a post-*Grokster* world.”

Additionally, the Office played an active role in a number of important cases before various courts on such issues as our registration practices concerning catalogs of sculptures, the copyrightability of settlement prices for futures contracts, the copyrightability of individual part numbers, and many cases challenging the constitutionality of various copyright statutes.

Once again the staff of the Office performed well. The accomplishments reflected here speak for themselves. Next year even greater challenges face us, and I am confident that the talented and dedicated staff of the Office will meet them.



Marybeth Peters
Register of Copyrights