“The medium is the message” is a famous phrase coined by Marshall McLuhan, which means “the form of the medium embeds itself in the message thereby creating a symbiotic relationship by which the medium influences how the message is perceived.”

The new medium “influencing how the message is perceived” is an amazingly powerful communication tool called electronic publishing, “e-publishing” or “e-pub.” E-publishing describes the new forms of production, distribution and user interaction with computer-based production of text and other interactive media. A new element in the world of e-publishing is “transmedia” or “transmedia storytelling” which describes the use of disparate media, such as images, text, graphics, colour, sound, music and dance, to convey a single unified message and immerse the consumer in the experience.

E-publishing offers great opportunities for both business publications and traditional books. E-pub communications are typically accessed and displayed through computers, smartphones and, most recently, tablet computers. When an author uses transmedia, there really is no limit to the creative choices an author may incorporate into their works. The iPad™ “app” published by the Calgary Herald is a great example of the power of transmedia e-publishing. Rich colour photographs, interactive graphics, links to websites, and access to movie trailers are all accessible literally at the reader’s fingertips.

E-publishing is quickly changing the entire publishing industry. E-book sales are estimated to be at $5 billion within two years. The e-publishing model is directly responsible for this phenomenal growth.

E-book production is cost and time-efficient. The estimated cost to produce an e-book is about $0.50 per book (excluding the cost of transmedia elements), while a printed book is about $4.50 per book. E-books are also faster to produce than printed books. The author does not require a publisher, an agent, a printing press or even a distributor. The author simply needs an original idea, the creative means to express it, and appropriate software.

E-books can be quickly and inexpensively amended to add, modify or update information and expressive elements. With a simple download, an author can instantaneously update its publication to keep it current and relevant. E-books are interactive and searchable. They are distributed globally. E-books are portable: users can carry an entire library in their reading device. The opportunities for e-publishers are limited only by their creativity: they can seamlessly gather demographic information from their readers, allow readers to electronically purchase further products or services, offer a vast amount of catalogue information with full sound and video that draws the reader into the virtual world of the e-book, and even offer links to related or sponsored sites that expand the reader’s experience and draw the consumer into different marketing contexts.

E-publishing is environmentally friendly. E-books are paperless: reducing paper consumption, recycling and disposal. The digital distribution model also reduces transportation costs and the pollution and waste associated with shipping paper books across the country and the world.
Although this might all seem very high-tech and cutting edge, the fact is that you are likely already deeply involved in e-publishing. Any business that hosts an internet website or offers electronic forms or brochures to its consumer is an e-publisher. The truth is that almost every business now routinely acts as an e-publisher - and likely does not fully exploit the opportunities of this new model, or recognize the legal consequences of ownership, publication, distribution and liability in the e-publishing realm. Here are some questions that you must consider:

1. **WHO OWNS THE RIGHTS?**

The first step in issuing an e-publication is to conduct a “Pre-Digitisation Review” (PDR). A PDR is partly an audit of the legal rights to the relevant material. The first task in a PDR review is to identify the assets. The identification of assets allows an assessment of the rights which attach to the particular asset, and who owns the relevant rights. Generally these rights arise under copyright law. Often the legal rights that attach to a particular asset can be determined by an inquiry into the circumstances of creation or acquisition.

   a. **Was the work created by an employee or a contractor?**

   Many businesses mistakenly believe if they pay a contractor to produce a work, the rights to that work automatically transfers to them upon payment. In Canada, this is not correct. If there is no written agreement, a publisher may enjoy only an implied right to publish a submitted work - and typically ownership will remain with the author. Further, any implied right to publish the work will generally only allow publication in the specific journal, or perhaps only for the specific purpose, for which the work was submitted. An implied license is unlikely to include republication in digital form. Therefore, even where a work is created by a paid contractor, you should negotiate a complete assignment of rights to the work or, at the very least, an exclusive license that grants you the rights to use the works for all relevant purposes. If you are including any tables, maps or charts in your e-publication, you must assess the copyright status of these works. For example, is the work in the public domain? If not, is there a public domain alternative? If the tables, maps or charts are original, you must determine the author and owner of the works, and will need to obtain permission to reproduce them.

   b. **Excerpts**

   Excerpts from other books and articles need to be analyzed, often with a determination of whether or not the excerpt falls within fair dealing (Canada) or fair use (United States) exceptions. Generally, a one sentence quote is more likely to fall within the fair dealing exceptions. However, this is not an invariable rule, as the Courts will consider both quantity and quality of the excerpt in assessing copyright infringement. Each case must be considered on its own facts, having regard to the specific fair dealing laws in the relevant jurisdiction.

   Lack of documentation concerning rights and ownership of your own prior works can become an issue, as obtaining relevant evidence is often problematic in such disputes. Note that using an excerpt from a prior published work of your own does not automatically immunize you from copyright infringement, as the excerpt may be owned by another party and the rights granted in respect of the first work do not automatically apply to subsequent works, even where the subsequent work may be related to, or a successor of, the first.

   c. **Photographs**

   If you, or your employee hired for that purpose, did not take the photograph being used in your e-pub document, chances are high you will need to obtain permission to reproduce it. Original photographs are protected by copyright laws. Originality for photographs resides in the effect of such elements as angle of shot, lighting, shade, exposure, effects achieved by filters,
developing techniques, etc.; not the subject itself. *Mannion v Coors Brewing*, District Court New York 2004) Thus, a photograph of Lake Louise or the Calgary Tower may qualify for copyright protection and thus reproduction without permission could lead to copyright infringement.

2. **WHAT RIGHTS ARE REQUIRED?**

Where you are not the author of the work, it is vital to ensure that any assignment or licence of copyright includes the right to reproduce the content into suitable digital form and the right to communicate the digital form to end users. In *Random House, Inc. v. Rosetta Books LLC*, 283 F.3d 490, 62 U.S.P.Q.2d (BNA) 1063 (2d Cir. 2002), the Appellate Court of the Southern District of New York, upheld the denial of a motion for preliminary injunction brought by Random House seeking to prevent Rosetta Books from publishing digital editions (e-books) of the works of Kurt Vonnegut and other authors. The authors had previously granted exclusive licenses to Random House to publish the works in *print form*. The authors subsequently granted a licence to Rosetta Books to publish the same works in *digital form*. The Court held the express license of existing uses of the works (i.e. print form) could not, in these circumstances, be considered to include new, very different uses such as publication in e-book format. In coming to its decision, the District Court noted that e-books allowed readers to take advantage of the digital format by searching the text and personalizing font size and, therefore, constituted a new and different use that differed from the traditional form contemplated in the exclusive licence granted to Random House.

3. **WHAT RIGHTS SHOULD BE GRANTED?**

Who should be permitted access to the work, and under what terms, must also be considered. In an online world, the ability to control access to content can be significant. Consideration should be given to whether Digital Rights Management (DRM) or Anti-Circumvention Measures (ACM) are appropriate. For example, do you want to “lock” the e-publication in any manner? That is, do you wish to employ technological measures to ensure that only authorized persons may access, copy or forward copies of your e-publication? You may wish to consider having all users subscribe to terms of use, which licenses the use, copying and distribution of the published information only for specific purposes.

**CONCLUSION**

While electronic publishing is a powerful medium certainly influencing the perception of the message, care must be taken to ensure your e-pub document does not inadvertently infringe upon another’s legal rights. Our experienced intellectual property legal team here at Field Law can answer your questions and assist you with either a Pre or Post Digitisation Review.

**KEY POINTS**

1. The first step in issuing an e-publication is to conduct a “Pre-Digitisation Review” (PDR).
2. Any business that hosts an internet website or offers electronic forms or brochures to its consumer is an e-publisher.
3. If you are including any tables, maps, photographs or charts in your e-publication, you must assess the copyright status of these works.
4. Excerpts from other books and articles need to be analyzed, often with a determination of whether or not the excerpt falls within fair dealing (Canada) or fair use (United States) exceptions.
5. The author does not require a publisher, an agent, a printing press or even a distributor. The author simply needs an original idea, the creative means to express it, and appropriate software.
6. The opportunities for e-publishers are limited only by their creativity.
7. Many businesses mistakenly believe if they pay a contractor to produce a work, the rights to that work automatically transfers to them upon payment. In Canada, this is not correct.
8. E-publishing is environmentally friendly.
FIELD LAW INTELLECTUAL PROPERTY GROUP

IDENTIFY - VALUE - STRATEGIZE

Our team provides proven strategies for proactively identifying, protecting, and monitoring your intellectual property (IP) and providing recommendations for leveraging maximum value from your important business assets. We perform due diligence services including trade-mark and patent reviews, freedom-to-use analysis and due diligence for commercial transactions.

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Our team of advisors can review ownership of IP, inventions and improvements, as well as the potential means for commercialization, licensing and technology-transfer. We work to protect your IP assets from initial point of registering IP, to policing and enforcement of IP rights, including litigation and injunctions to prevent infringements.

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