

New Report Highlights Economic Role of Fair Use

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Classic examples of "fair use" often focus on personal, largely non-commercial activities -- like quoting or excerpting copyrighted content as part of a school project, or recording a television episode for private viewing at a later time. Public interest advocates also stress the crucial role of fair use in promoting such civic values as free expression. But the benefits of fair use, and of balanced copyright law generally, aren't limited to the non-commercial sphere. All those private, individual activities add up, and they form the basis for important markets -- after all, somebody has to make, market, and sell the gizmos and services that make those individual activities possible. In the age of computers and the Internet, moreover, all kinds of fully legitimate activities require data to be copied and manipulated in various ways. The online economy is heavily dependent on fair use, and fair use provides essential breathing space for emerging digital economy innovations.

A new report commissioned by the Computer and Communications Industry Association (CCIA), "[Fair Use in the U.S. Economy](#) [2]," seeks to quantify the contribution to the economy of industries that depend on fair use and other limitations included in copyright law. The numbers it comes up with are large -- in 2006, industries relying on fair use (broadly defined to as legal limitations to the exclusive rights granted under copyright law) accounted for \$2.2 trillion or 16.6 percent of gross domestic product. Interestingly, in tallying these numbers the study follows a methodology developed by the World Intellectual Property Organization for estimating the economic contribution of copyright-related industries.

The key take-home point is that fair use isn't just a quaint little concept that has been tacked onto copyright's framework of rights and incentives for largely extraneous, non-economic reasons. Promoting the growth of an information age economy requires both rights and protections for copyright owners and appropriate limitations and exceptions to those rights. Hopefully the new study will prompt more attention and awareness concerning the economic benefits of balanced copyright policies.

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