Internet search giant Google Inc. has reached a $125 million deal with major book publishing companies and authors, clearing the way for the company to provide easier online access to millions of copyrighted books.

"While this agreement is a real win-win for all of us, the real victors are all the readers," said Google cofounder Sergey Brin in a statement. "The tremendous wealth of knowledge that lies within the books of the world will now be at their fingertips."

If a court approves the agreement, it will resolve both a copyright infringement lawsuit filed in 2005 by the Association of American Publishers and a separate class-action suit from the Authors Guild, an organization of more than 8,000 book authors.

Both lawsuits challenged Google Book Search service, which allows users to search the texts of about 7 million books. About 5 million of these titles are copyrighted. Authors and publishers behind the lawsuit claimed that Google had no right to publish their work on the Internet without compensation. But Google only provided excerpts of the works, and said such excerpts are a "fair use" of copyrighted material under federal law. The proposed settlement will allow Google to dramatically expand its program, adding new fee-based services, and reserving a portion of revenues to compensate copyright holders.

Google will now permit users to search the full texts of the copyrighted books, and for the first time, allow users to buy complete digital copies of the books. The books won’t be downloaded to a home or office computer, but will be stored in the user’s personal library at the Google site, and accessible through any Internet-connected device.

In addition, universities and other institutions will be able to buy subscriptions giving them full access to all books in the system. A student or faculty member would be able to log on and read the full text of any book in the Google system, which includes millions of digitized volumes from major universities, including Harvard, Stanford, and the universities of California, Michigan, and Wisconsin.

Google officials say they haven’t set a price for the subscription service, but that it will be comparable to the prices libraries pay for other subscription database services. Libraries pay varying rates for access to similar databases, ranging
from hundreds to tens of thousands of dollars a year.

The deal also provides that every public library in the United States will be entitled to full access to Google Book Search through a single computer terminal at no charge. If the library chooses, it can also purchase a subscription and make it available on multiple terminals or to patrons' home computers. At present, there are no plans to offer subscriptions to individuals.

Google will pay part of the $125 million settlement to cover legal fees and royalty payments to the authors and publishers behind the lawsuits. Google will also establish a copyright registry to track subscription fees and digital book purchases, then pay appropriate royalties to authors and publishers. The settlement affects only Google's activities in the United States, and the company is exploring ways to offer the expanded services in other countries.

Lee Carl Bromberg, founding partner of Bromberg & Sunstein LLP, a law firm in Boston, said Google was forced to modify its original book search service, because it clearly violated copyright law. "I think they couldn't get around the problem that there is copyright and it's enforceable and they have to deal with it," Bromberg said. He called the new deal a reasonable compromise.

But Corynne McSherry, staff attorney at the Electronic Frontier Foundation, an Internet civil liberties firm in San Francisco, lamented the settlement. "I'm a little disappointed that this didn't go to litigation," said McSherry. "I think Google had a great fair use defense. . . . I feel real confident about what the outcome would have been."

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