Google Settles Publishers' Lawsuit Over Book Offerings

By Mike Musgrove
Washington Post Staff Writer
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Search engine giant Google yesterday announced that it had settled a pair of lawsuits that accused the company of copyright infringement, signaling a new chapter in how books could be read and purchased online.

Google said it would pay $125 million to end a fight with the Association of American Publishers and the Authors Guild, which had filed lawsuits after Google began scanning millions of works to the Web four years ago.

Part of that amount, $34.5 million, will be spent by Google to establish a "Book Rights Registry" to make sure that authors are compensated for the use of their works. The registry would work like ASCAP and BMI, which oversee payments to songwriters and musicians for the use of their creations. The deal also establishes payments to the authors of works that have already been scanned into Google Book Search.

Tech industry analyst Michael Gartenberg said Google may have learned a lesson from the lawsuit.

Google is "going to need to do this in cooperation with the people who own the copyrights, and cooperation is pretty much going to mean paying for those rights," said Gartenberg. "Even if you're Google, you can't just do what you want whenever you want to do it."

The search engine had argued that its Google Book Search did not infringe on copyright laws under "fair use" guidelines that allow for the quotation of works. Google said that doctrine applied to its in-the-works project because Web users were not able to read a work from start to finish in the service's original implementation.

Under the terms of the new agreement, through Google, consumers would be

able to buy books that are out of print but retain their copyrights. The company would pay the registry 63 percent of any revenue derived from an author's works, such as advertising placed next to online book pages.

Google dubbed the settlement "historic."

"The tremendous wealth of knowledge that lies within the books of the world will now be at their fingertips," the search engine's co-founder, Sergey Brin, said in a statement.

The settlement is subject to approval by the U.S. District Court for the Southern District of New York. The proposal is, however, expected to receive the court's blessing by the middle of next year.

Publishers said yesterday that the settlement would be a boon to authors and readers, though it is too early to know much about the size of the potential business.

"No one can really know how big this market is going to be," said Richard Sarnoff, chairman of the Association of American Publishers.

Some authors are hoping that Google's project will help them reach new audiences.

"If you're an author with out-of-print books, this is going to give your book new life," said Paul Aiken, executive director of the Authors Guild. "This will allow authors to find new readers in any number of ways."

Under the agreement, colleges and universities would pay for full access to the titles in Google's database, and public libraries would get that access for free; consumers searching from home would get limited excerpts, with the option to buy a complete work.
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