



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila



SEVENTEENTH CONGRESS
Third Regular Session

House Bill No. **8569**

Introduced by **DIWA Party-list Representative Pepito M. Pico**

EXPLANATORY NOTE

With the advent of the Internet and access to easy tools for digital publishing and distribution, more and more Filipinos are creating books, music, cinema, and other work of artistic and educational merit. Many are becoming creators at an earlier age, some while still in school, and amassing a following for their work. But with the increased attention comes increased risk of exploitation. There has been an increase in the number of individuals and entities that seek to rake advantage of the increase in new creators by enticing them to enter into contracts which prove detrimental to the creators in the long term.

Pursuing advantageous terms in a contract, often to the detriment of the other party, is a part of any industry. However, in situations where the parties often start at a great disparity in terms of advantage, there comes into being an element of coercion which the State must regulate, particularly when what is at stake could be the well-being of the creative and cultural landscape of the country. This bill, which we filed in the 16th Congress as House Bill No. 5557, seeks to level the playing field, and strives to guarantee that in any transaction that involves the transfer of copyright, creators -- particularly the new and the young -- have a better chance of understanding their rights.


PEPITO M. PICO
Representative, DIWA Party-list



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
Third Regular Session

House Bill No. 8569

Introduced by **DIWA Party-list Representative Pepito M. Pico**

AN ACT
MANDATING CONTRACTUAL PRE-REQUISITES FOR THE TRANSFER OR
ASSIGNMENT OF COPYRIGHT, FOR THE BENEFIT OF THE ORIGINAL
AUTHORS.

Be it enacted by the Senate and House of Representatives of the Republic of the Philippines in Congress assembled:

SECTION 1. - Short Title. This Act shall be known as the "Creator Protection Act."

SECTION 2. - Declaration of Principles and Policies. - The State recognizes that an effective intellectual property system is vital to the development of domestic and creative activity, to the benefit of our intellectual and cultural heritage. It shall protect and secure the exclusive rights of creators to their intellectual property and creations, particularly when beneficial to the people, and shall ensure that any transfer of the same shall have been made with the full knowledge and consent of the creators.

SECTION 3. Definition of Terms. - For purposes of this Act, the following terms are defined:

- a) "Author" is the natural person who has created the work, or if the original author has passed away, his or her heirs who retain the copyright or economic rights or the share thereof previously possessed by the deceased, in the case of a creation of multiple authors;
- b) "Copyright" or "Economic Rights" refer to Copy or Economic rights as defined in the Intellectual Property Code, consisting of the exclusive right of the Author to carry out, authorize or prevent specific actions;
- c) "Transferee" refers to the person or entity that seeks to acquire copyright over a work, or a license to exploit the same, whether or not in return for compensation;
- d) "Work" refers to literary and artistic works, or projected derivative works, as defined in the Intellectual Property Code.

SECTION 4. Copyright Transfer Pre-Requisites. - No transfer, assignment, or license of copyright shall be valid, if the contract does not contain, in a language understood by the author:

- a) The Copyright Primer Clause in Section 6 of this Act;
- b) A term, or if the assignment is in perpetuity, the contract must state the same explicitly;
- c) As an annex, the full text of the Copyright Primer in Section S of this Act;

The author must have been in knowing possession of a physical or digital copy of the contract for at least forty-eight (48) hours before he or she can validly sign the contract and consent to the transfer/assignment of copyright.

None of the abovementioned pre-requisites may be waived.

SECTION 5. Copyright Primer. - The following are some of the major rights that belong to the creator or author of a work under the Intellectual Property Code, and they remain with the creator/author until the creator/author assigns or transfers all or a part of these rights to another person by way of a written contract or by force of law:

- 1) The Right to Reproduce - The right to make a copy of the work.
- 2) The Right to Transform - This right includes acts such as adaptation, translation, dramatization, and abridgment.
- 3) The Right to Distribute - The right to transfer ownership of the work or copies of the same.
- 4) The Right to Rent
- 5) The Right to Public Display of the Work
- 6) The Right to Public Performance of the Work
- 7) The Right to Communicate the Work to the Public

Each of the above mentioned rights may be transferred as a whole to another person or entity, or in part, and may be qualified with regard to language, territory, exclusivity, format, term, or contingency. (An author may limit the right to reproduce his or her work to the Philippines alone, for instance, or limit the right to show to a period of ten days.)

The author is also entitled to Moral Rights, which include the following:

- 1) To require that the authorship of the works be attributed to him/her, in particular, the right that his/her name, as far as practicable, be indicated in a prominent way on the copies, and in collection with the public use of his/her work;
- 2) To make any alterations of his/her work prior to, or to withhold it from publication;
- 3) To object to any distortion, mutilation or other modification of, or other derogatory action in relation to, his/her work which would be prejudicial to his/her honor or reputation; and
- 4) To object to any distortion, mutilation or other modification of, or other derogatory action in relation to, his/her work which would be prejudicial to his/her honor or reputation; and

SECTION 6. Copyright Primer Clause. - Every transfer or assignment of copyright shall contain the following provision, in a language understood by the author, as a separate and stand-alone provision, verbatim; provided, that the terms in brackets substituted by the terms used in the actual contract:

"In compliance with the Creator Protection Act, the [Transferee] hereby warrants that the [Author] has been appraised of [his/her] rights under the Intellectual Property Code, that the [Author] has read the Copyright Primer annexed to this [Agreement], and that the [Author] understands these rights and has been in knowing possession of a physical or digital copy of this [Agreement] for at least forty-eight (48) hours before [he/she] has signed the same.

A breach of this warranty shall render this [Agreement] null and void."

SECTION 7. Implementing Rules and Regulations. -The Intellectual Property Office, in coordination with the National Commission for Culture and the Arts, the National Book Development Board, and in consultation with representatives from creators and publishers, shall issue the necessary rules and regulations for the effective implementation of this Act within ninety (90) days after its effectivity.

SECTION 8. Separability Clause. -If any provision of this Act is declared unconstitutional, the same shall not affect the validity and effectivity of the other provisions hereof.

SECTION 9. Repealing Clause. -All laws, executive orders, presidential decrees, presidential proclamations, rules and regulations or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SECTION 10. Effectivity Clause. -This Act shall take effect fifteen (15) days from its publication in the Official Gazette or at least two (2) national newspapers of general circulation.

Approved,