



# Reports of Cases

OPINION OF ADVOCATE GENERAL  
BOT  
delivered on 24 April 2012<sup>1</sup>

**Case C-128/11**

**Axel W. Bierbach, administrator of UsedSoft GmbH**  
v  
**Oracle International Corp.**

(Reference for a preliminary ruling from the Bundesgerichtshof (Germany))

(Legal protection of computer programs — Directive 2009/24/EC — Marketing of used software downloaded from the internet — Exhaustion of the distribution right)

1. This reference for a preliminary ruling concerns the interpretation of Articles 4(2) and 5(1) of Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs.<sup>2</sup>
2. The questions were referred in proceedings between UsedSoft GmbH, represented by Axel W. Bierbach, acting as administrator of that company,<sup>3</sup> and Oracle International Corp.<sup>4</sup> following UsedSoft's marketing of 'used' Oracle software.

## **I – Legal context**

### *A – International law*

3. The World Intellectual Property Organisation (WIPO) adopted the WIPO Copyright Treaty in Geneva on 20 December 1996. That treaty was approved on behalf of the European Community by Council Decision 2000/278/EC of 16 March 2000.<sup>5</sup>
4. Article 4 of that treaty provides that computer programs are protected as literary works within the meaning of Article 2 of the Berne Convention. The protection provided for applies to computer programs, whatever may be the mode or form of their expression.
5. Article 6 of the WIPO Copyright Treaty, entitled 'Right of Distribution' provides:  
'(1) Authors of literary and artistic works shall enjoy the exclusive right of authorising the making available to the public of the original and copies of their works through sale or other transfer of ownership.'

1 — Original language: French.

2 — OJ 2009 L 111, p. 16.

3 — 'UsedSoft'.

4 — 'Oracle'.

5 — OJ 2000 L 89, p. 6.

(2) Nothing in this Treaty shall affect the freedom of Contracting Parties to determine the conditions, if any, under which the exhaustion of the right in paragraph (1) applies after the first sale or other transfer of ownership of the original or a copy of the work with the authorisation of the author.'

6. The Joint Declarations on the WIPO Copyright Treaty states, with regard to Articles 6 and 7:

'As used in these Articles, the expressions "copies" and "original and copies", being subject to the right of distribution and the right of rental under the said Articles, refer exclusively to fixed copies that can be put into circulation as tangible objects.'

## B – *European Union ('EU') law*

1. Directive 2009/24

7. Directive 2009/24 codifies Council Directive 91/250/EEC of 14 May 1991 on the legal protection of computer programs.<sup>6</sup>

8. Article 1(1) of Directive 2009/24 provides that 'Member States shall protect computer programs, by copyright, as literary works within the meaning of the Berne Convention for the Protection of Literary and Artistic Works'.

9. Article 4 of that directive, entitled 'Restricted acts', provides:

'1. Subject to the provisions of Articles 5 and 6, the exclusive rights of the rightholder within the meaning of Article 2 shall include the right to do or to authorise:

- (a) the permanent or temporary reproduction of a computer program by any means and in any form, in part or in whole; in so far as loading, displaying, running, transmission or storage of the computer program necessitate such reproduction, such acts shall be subject to authorisation by the rightholder;
- (b) the translation, adaptation, arrangement and any other alteration of a computer program and the reproduction of the results thereof, without prejudice to the rights of the person who alters the program;
- (c) any form of distribution to the public, including the rental, of the original computer program or of copies thereof.

2. The first sale in the [European Union] of a copy of a program by the rightholder or with his consent shall exhaust the distribution right within the [European Union] of that copy, with the exception of the right to control further rental of the program or a copy thereof.'

10. Article 5 of that directive, entitled 'Exceptions to the restricted acts', provides, in paragraph 1:

'In the absence of specific contractual provisions, the acts referred to in points (a) and (b) of Article 4(1) shall not require authorisation by the rightholder where they are necessary for the use of the computer program by the lawful acquirer in accordance with its intended purpose, including for error correction.'

<sup>6</sup> — OJ 1991 L 122, p. 42.

## 2. Directive 2001/29

11. Recitals 28 and 29 in the preamble to Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society<sup>7</sup> provide:

- (28) Copyright protection under this Directive includes the exclusive right to control distribution of the work incorporated in a tangible article. The first sale in the [European Union] of the original of a work or copies thereof by the rightholder or with his consent exhausts the right to control resale of that object in the [European Union]. This right should not be exhausted in respect of the original or of copies thereof sold by the rightholder or with his consent outside the [European Union]. Rental and lending rights for authors have been established in Directive 92/100/EEC. [<sup>8</sup>] The distribution right provided for in this Directive is without prejudice to the provisions relating to the rental and lending rights contained in Chapter I of that Directive.
- (29) The question of exhaustion does not arise in the case of services and online services in particular. This also applies with regard to a material copy of a work or other subject-matter made by a user of such a service with the consent of the rightholder. Therefore, the same applies to rental and lending of the original and copies of works or other subject-matter which are services by nature. Unlike CD-ROM or CD-I, where the intellectual property is incorporated in a material medium, namely an item of goods, every online service is in fact an act which should be subject to authorisation where the copyright or related right so provides.’

12. Article 3 of Directive 2001/29, entitled ‘Right of communication to the public of works and right of making available to the public other subject-matter’, provides:

‘1. Member States shall provide authors with the exclusive right to authorise or prohibit any communication to the public of their works, by wire or wireless means, including the making available to the public of their works in such a way that members of the public may access them from a place and at a time individually chosen by them.

...

3. The rights referred to in paragraphs 1 and 2 shall not be exhausted by any act of communication to the public or making available to the public as set out in this Article.’

13. Article 4 of that directive, entitled ‘Distribution right’, provides:

‘1. Member States shall provide for authors, in respect of the original of their works or of copies thereof, the exclusive right to authorise or prohibit any form of distribution to the public by sale or otherwise.

2. The distribution right shall not be exhausted within the [European Union] in respect of the original or copies of the work, except where the first sale or other transfer of ownership in the [European Union] of that object is made by the rightholder or with his consent.’

<sup>7</sup> — OJ 2001 L 167, p. 10.

<sup>8</sup> — Council Directive of 19 November 1992 on rental right and lending right and on certain rights related to copyright in the field of intellectual property (OJ 1992 L 346, p. 61).

## C – National law

14. Paragraphs 69c and 69d of the Law on copyright and related rights (Gesetz über Urheberrecht und verwandte Schutzrechte) of 9 September 1965,<sup>9</sup> in the version applicable at the material time (‘the UrhG’), transpose into national law, in the case of the former, Article 4 of Directive 2009/24 and Article 3 of Directive 2001/29, and, in the case of the latter, Article 5 of Directive 2009/24.

15. Paragraph 69c of the UrhG states:

‘The rightholder shall have the exclusive right to do or to authorise:

1. the permanent or temporary reproduction of a computer program by any means and in any form, in part or in whole. In so far as loading, displaying, running, transmission or storage of the computer program necessitate such reproduction, such acts shall be subject to authorisation by the rightholder;
2. the translation, adaptation, arrangement and any other alteration of a computer program and the reproduction of the results thereof. The rights of the person who alters the program shall be reserved;
3. any form of distribution to the public, including the rental, of the original computer program or of copies thereof. If a copy of a computer program is distributed by sale in the territory [of the European Union] or of another State which is party to the Agreement on the European Economic Area [of 2 May 1992<sup>10</sup>] with the rightholder’s authorisation, the right to distribute that copy, except for the rental right, is exhausted;
4. any communication to the public of a computer program, by wire or wireless means, including the making available to the public of that program in such a way that members of the public may access it from a place and at a time individually chosen by them.’

16. Paragraph 69d(1) of the UrhG provides:

‘In the absence of specific contractual provisions, the acts referred to in Paragraph 69c(1) and (2) shall not require authorisation by the rightholder where they are necessary for the use of the computer program by any person authorised to use a copy of the program in accordance with its intended purpose, including for error correction.’

## II – Facts and main proceedings

17. Oracle develops and markets computer software. It is the proprietor of the exclusive copyright user rights in those programs and of the German and Community ‘Oracle’ word marks, which are registered, inter alia, for computer software.

18. In 85% of cases, Oracle distributes its software by download from the internet. The customer downloads the software to his computer direct from Oracle’s website. The programs are items of ‘client-server’ software. The user right in those programs includes the right to store the software permanently on a server and to allow a number of users to access it by downloading the software to the main memory of their workstation. On the basis of a software maintenance agreement, updated versions of the software (updates) and programs for correcting faults (patches) can be downloaded from Oracle’s website.

<sup>9</sup> — BGBl. 1965 I, p. 1273.

<sup>10</sup> — OJ 1994 L 1, p. 3.

19. Oracle's licence agreements include the following provision, under the heading 'Grant of rights':

'With the payment for services you receive, exclusively for your internal business purposes and for an unlimited period, a non-exclusive, non-transferable user right, free of charge, in respect of everything which Oracle develops and makes available to you on the basis of this agreement.'

20. In October 2005, UsedSoft, which trades in 'used' software licences, offered 'already used' Oracle licences, stating that they were current in the sense that the maintenance agreement concluded between the initial licence holder and Oracle was still in force and that the legality of the sale was confirmed by a notarised certificate.

21. UsedSoft's customers, who are not yet in possession of the Oracle software concerned, download the software directly from Oracle's website after acquiring the 'used' licences. Customers who already have the software and go on to purchase licences for additional users download the software to the main memory of the workstations of those additional users.

22. Oracle sought and obtained an injunction from the Landgericht München I (Regional Court, Munich I) to prevent the continuation of those practices. Following the dismissal of the appeal lodged by UsedSoft against that decision, UsedSoft lodged an appeal on a point of law with the Bundesgerichtshof (Federal Court) (Germany).

### III – Questions referred for a preliminary ruling

23. The Bundesgerichtshof decided to stay the proceedings and refer the following questions to the Court for a preliminary ruling:

- (1) Is the person who can rely on exhaustion of the right to distribute a copy of a computer program a "lawful acquirer" within the meaning of Article 5(1) of Directive 2009/24 ...?
- (2) If the reply to the first question is in the affirmative: is the right to distribute a copy of a computer program exhausted in accordance with Article 4(2) of Directive 2009/24 ... when the acquirer has made the copy with the rightholder's consent by downloading the program from the internet onto a data carrier?
- (3) If the reply to the second question is also in the affirmative: can a person who has acquired a "used" software licence for generating a program copy as "lawful acquirer" under Article 5(1) and Article 4(2) of Directive 2009/24 ... also rely on exhaustion of the right to distribute the copy of the computer program made by the first acquirer with the rightholder's consent by downloading the program from the internet onto a data carrier if the first acquirer has erased his program copy or no longer uses it?

### IV – My analysis

#### A – Preliminary remarks

24. The referring court takes it as read that, by downloading computer programs from Oracle's website or from a storage medium to the main memory of additional computers, UsedSoft's customers perform acts of reproduction within the meaning of Article 4(1)(a) of Directive 2009/24 which infringe Oracle's exclusive right of reproduction. Moreover, since Oracle's licensing conditions state that the user right is 'non-transferable', the Bundesgerichtshof points out that Oracle's customers cannot lawfully transfer the right of reproduction to UsedSoft, which, consequently, cannot transfer it to its own customers.

25. The referring court concludes from this that the resolution of the dispute depends on whether UsedSoft's customers may rely on Paragraph 69d(1) of the UrhG, which transposes Article 5(1) of Directive 2009/24 into German law by exempting from the requirement of authorisation by the rightholder acts of reproduction which are necessary to enable the lawful acquirer to use the computer program in accordance with its intended purpose.

26. According to the referring court, that question is broken down into three sub-questions, the first relating to the status of 'lawful acquirer', within the meaning of Article 5(1) of Directive 2009/24, of the person who can rely on exhaustion of the distribution right, the second to whether the distribution right is exhausted where a copy of the program is downloaded from the internet with the rightholder's consent, and the third to whether the acquirer of a used licence can rely on such exhaustion where the initial acquirer has erased his copy or no longer uses it.

27. Although the referring court has asked the second question only in the event of an affirmative reply to the first question, I consider that it should be answered first. After all, before examining whether the person who can rely on exhaustion of the distribution right can be regarded as a 'lawful acquirer' within the meaning of Article 5(1) of Directive 2009/24, it must be ascertained whether the downloading of Oracle programs by a person resident in the territory of the European Union has the effect of exhausting the right to distribute those programs within the 'Community', pursuant to Article 4(2) of that directive. In my view, that question, which concerns whether or not the principle of exhaustion applies to internet downloads, comes first.

28. Next, I shall carry out a joint examination of the first and third questions, which have to do with whether the acquirer of a used licence may, on the basis of Article 4(2) of Directive 2009/24, in conjunction with Article 5(1) of that directive, rely on exhaustion of the right to distribute the copy of the computer program downloaded by the first acquirer in order, as a lawful acquirer, to make a new copy of the program where the first acquirer has erased his copy or no longer uses it.

#### B – *The second question*

29. The referring court wishes to ascertain, in essence, whether the right to distribute a copy of a computer program is exhausted within the meaning of Article 4(2) of Directive 2009/24 where the acquirer has made the copy, with the rightholder's consent, by downloading the program from the internet onto a data carrier?

##### 1. Observations of the parties to the main proceedings, the governments and the Commission

30. UsedSoft argues primarily that the wording of Article 4(2) of Directive 2009/24 allows the exhaustion rule to be applied to online software transfers, since, on the one hand, the expression 'copy of a program' may be understood as referring to the process of allowing the acquirer to record the program and, on the other hand, the expression 'first sale' does not require ownership to be transferred through the delivery of a data carrier, what matters being rather the achievement of the ultimate economic objective of the operation, which is to make the program permanently usable. Submitting that, whether a data carrier is delivered or not, a sale is characterised by the making available of a user right for an unspecified period in return for a one-off fee, UsedSoft maintains that it is clear from the wording of Directive 2009/24 that the distribution right is exhausted once the Oracle customer makes the copy, with the rightholder's consent, by downloading the program onto a data carrier.

31. UsedSoft adds that that interpretation, based on the wording of Article 4(2) of Directive 2009/24, is supported by the objective of the exhaustion rule, which is to strike a balance between the economic interest of the author in exploiting his work and the interest of the free movement of goods and services. Taking the view that, where software is made permanently available in return for payment of a fee, the rightholder is able to exploit his creative work commercially by selling the protected item, UsedSoft submits that that author cannot decide whether or not to apply the principle of exhaustion by choosing between two methods of distribution which are none the less strictly equivalent from an economic point of view. Such a situation would lead to a monopoly on distribution which the exhaustion rule is specifically intended to prevent. Even if the transaction is be regarded as a provision of services, the exhaustion principle should continue to be applicable, since the freedom to provide services is also one of the fundamental principles of the European Union.

32. UsedSoft states that the Court held the exhaustion principle not to be applicable to forms of exploitation which are typically intangible, such as performing or broadcasting rights, not because they are intangible but because those rights give rise to the collection of a fee for each use and, therefore, the author's economic interests are not satisfied by the first release into circulation.

33. UsedSoft maintains that no argument to the contrary can be inferred from Article 3(3) of Directive 2001/29 or recital 29 in the preamble to that directive, which cover only the particular circumstance of services which are made available for *ad hoc* use the duration of which is limited to that of the connection to the author's server. Unlike services made available for permanent use in return for payment of a one-off fee, services that are intended to be provided repeatedly for consideration do not enable the rightholder's economic interests to be satisfied when they are provided for the first time.

34. Oracle considers that the downloading of copies of computer programs does not constitute a sale because the remuneration is not sought simply for the program download but is paid on the basis of the licensing agreement in return for the right of use conferred by that agreement. Moreover, where a maintenance agreement has been concluded, the first acquirer cannot resell the version initially downloaded but only a different, supplemented and updated version.

35. Referring to the case-law of the Court of Justice, in particular the judgment in *British Horseracing Board and Others*,<sup>11</sup> the Joint Declarations on the WIPO Copyright Treaty and the Report from the Commission to the Council, the European Parliament and the Economic and Social Committee on the implementation and effects of Directive 91/250 of 10 April 2000,<sup>12</sup> Oracle goes on to say that the distribution right can be exhausted only where the ownership of a tangible object is transferred, which rules out the totally intangible operation of downloading. In that company's submission, a 'copy of a program' within the meaning of Article 4(2) of Directive 2009/24 can only be a material item of goods, that is to say, a 'product'. That interpretation, it contends, is consistent with the meaning and purpose of the principle of exhaustion, the purpose of which is to ensure the free movement of physical copies which have previously been put into circulation with the rightholder's consent, not to make fit for circulation copies which have been created by the user himself.

36. Oracle observes in any event that, even if a positive reply were to be given to that question, the exhaustion of the distribution right that would follow from the program download would not authorise the first acquirer to transfer the copy to another medium. It would only enable him to physically transfer the medium itself, which would require him, for example, to remove the disc onto which he has downloaded the program.

11 — Case C-203/02 [2004] ECR I-10415, paragraphs 58 and 59.

12 — COM(2000) 199 final.

37. Oracle states that there is no need to draw a distinction depending on whether the computer program is obtained by acquiring a CD-ROM or by downloading it online, since, in both cases, a licensing agreement must be concluded before the copy of the program can be used.

38. The Spanish and French Governments, Ireland and the Italian Government submit that the right to distribute a computer program is exhausted only where the copy of that program has been put into circulation by being incorporated in a tangible medium. The French Government, Ireland and the Italian Government base that argument on the legislative context in the light of which Directive 2009/24 must be interpreted, in particular Directive 2001/29.

39. Ireland further contends that, even if the licence granted by the rightholder were to be classified as a sale, the copies for which the licence was issued are not those which are downloaded or transferred by the sub-acquirers. It points out that the exhaustion rule, which has developed within the context of the free movement of goods, does not have the effect of exhausting the right of a patent holder to distribute consignments other than those which were marketed with his consent. Referring to the judgment in *Pharmon*,<sup>13</sup> Ireland takes the view that the situation in the present case is similar to that in which products are marketed on the basis of a compulsory licence. It adds that allowing licences to be exploited without the rightholder's consent is likely to discourage innovation and adversely affects the legitimate interests of the author of the program.

40. The French Government adds to the arguments inferred from the legislative context in EU law a number of considerations based on international law and the case-law of the Court of Justice.<sup>14</sup> It argues that there can be no exhaustion in the case of downloading since this involves the offer of an online service by the intermediary, and states that the maintenance agreement clearly falls within the scope of the provision of services.

41. The Italian Government, which considers that a distinction should be drawn between the status of owner of a copy of the software and the status of user authorised to use the software under a licence, argues that, in so far as the distribution right is irrelevant where an electronic copy of an item of software is transferred online, the limit represented by the exhaustion of the distribution right is inapplicable. It considers that any other approach would compromise the protection of the software under EU law.

42. The Commission, which points out that the dispute is concerned in essence with the question whether the resale of a computer program is authorised and whether the rightholder's rights are exhausted where the computer program is made available for download from a server under conditions which limit the user's right to transfer the program to a third party, considers that it follows not only from recital 28 in the preamble to Directive 2001/29 but also from Article 4 of that directive, read in conjunction with Article 8 of the WIPO Copyright Treaty, and from the Joint Declarations on that treaty, the transposal of which is one of the objectives of Directive 2001/29, that Article 4(1)(c) of Directive 2009/24, notwithstanding its wording, does not cover the distribution of a work not incorporated in a tangible article, which is covered only by Article 3(1) of Directive 2001/29. However, Article 3(3) of that directive states that the right to make the work available to the public referred to in Article 3(1) of that directive is not exhausted, recital 29 in its preamble confirming, moreover, that the question of exhaustion does not arise in the case of services in general and online services in particular.

<sup>13</sup> — Case 19/84 [1985] ECR 2281.

<sup>14</sup> — Case C-200/96 *Metronome Musik* [1998] ECR I-1953.



## 2. My assessment

43. The aim of the principle of exhaustion laid down in German and American law,<sup>15</sup> is to strike a balance between the necessary protection of intellectual property rights, which notionally confer on their holders a monopoly on exploitation, and the requirements of the free movement of goods. That principle, which limits the exclusive right of the intellectual property rightholder to be the first to put into circulation the product covered by the right in question, is ‘the expression ... of the legal notion ... that [that] right ... does not make it possible to prevent the distribution of an authentic product once it has been placed on the market’.<sup>16</sup>

44. The objective of creating an internal area without frontiers prompted the Court to incorporate that rule into the legal order of the European Union. In its judgment in *Deutsche Grammophon*,<sup>17</sup> it held that ‘it would be in conflict with the provisions prescribing the free movement of products within the common market for a manufacturer of sound recordings to exercise the exclusive right to distribute the protected articles, conferred upon him by the legislation of a Member State, in such a way as to prohibit the sale in that State of products placed on the market by him or with his consent in another Member State solely because such distribution did not occur within the territory of the first Member State’.

45. Under the exhaustion rule, the intellectual property rightholder who has put goods into circulation in the territory of a Member State loses the right to rely on his monopoly on exploitation in order to oppose their importation into another Member State. That rule is justified, economically, by the consideration that the holder of parallel rights must not profit unduly from the exploitation of his right, which would be the case if he could benefit from the economic advantage conferred on him by that right every time an EU internal frontier is crossed.

46. The exhaustion principle, which has its origin in judge-made law, was adopted by the EU legislature, which has made reference to it in a number of directives, in particular those relating to trade marks,<sup>18</sup> databases,<sup>19</sup> plant variety rights,<sup>20</sup> rental and lending rights in respect of protected works,<sup>21</sup> copyright and related rights in the information society and computer programs. Although the Court’s extensive case-law in this area has fashioned the ‘doctrine of Community exhaustion’, which

15 — On the history of and rationale behind the principle, see Castell, B., *L’"épuiement" du droit intellectuel en droits allemand, français et communautaire*, PUF, Paris, 1989.

16 — See Beier, F.-K., ‘La territorialité du droit des marques et les échanges internationaux’, in *Journal du droit international*, 1971, p. 5, in particular p. 14.

17 — Case 78/70 [1971] ECR 487.

18 — Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks (OJ 2008 L 299, p. 25). Article 7 of Directive 2008/95 provides:

‘1. The trade mark shall not entitle the proprietor to prohibit its use in relation to goods which have been put on the market in the [European Union] under that trade mark by the proprietor or with his consent.

2. Paragraph 1 shall not apply where there exist legitimate reasons for the proprietor to oppose further commercialisation of the goods, especially where the condition of the goods is changed or impaired after they have been put on the market.’

19 — Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases (OJ 1996 L 77, p. 20). Article 5(c) of Directive 96/9 provides that the ‘first sale in the [European Union] of a copy of the database by the rightholder or with his consent shall exhaust the right to control resale of that copy within the [European Union]’.

20 — Council Regulation (EC) No 2100/94 of 27 July 1994 on Community plant variety rights (OJ 1994 L 227, p. 1, and – corrigendum – OJ 2001 L 111, p. 31). Article 16 of Regulation No 2100/94 provides:

‘The Community plant variety right shall not extend to acts concerning any material of the protected variety, or of a variety covered by the provisions of Article 13(5), which has been disposed of to others by the holder or with his consent, in any part of the [European Union], or any material derived from the said material, unless such acts:

(a) involve further propagation of the variety in question, except where such propagation was intended when the material was disposed of  
or

(b) involve an export of variety constituents into a third country which does not protect varieties of the plant genus or species to which the variety belongs, except where the exported material is for final consumption purposes.’

21 — Article 1(4) of Directive 92/100 provides that ‘the rights referred to in paragraph 1 shall not be exhausted by any sale or other act of distribution of originals and copies of copyright works and other subject-matter as set out in Article 2(1)’.

can be applied uniformly to all intellectual property rights, the fact remains that the conditions governing the application and scope of the rule may vary considerably depending on the particular characteristics of each intellectual property right in question and the particular provisions governing it.

47. With more specific regard to computer programs, the exhaustion rule is laid down in Article 4 of Directive 2009/24, which repeats the wording of Article 4 of Directive 91/250 but splits that article into two separate paragraphs.

48. Whereas Article 4(1) of Directive 2009/24 singles out from the exclusive rights enjoyed by the author of the program the right of permanent or temporary reproduction, the right to alter the program and the right to do or to authorise ‘any form of distribution to the public, including the rental, of the original computer program or of copies thereof’, Article 4(2) of that directive states that exhaustion is to apply only to the right of distribution, with the exception of the ‘right to control further rental’. It is clear from those provisions that only the right of distribution is subject to exhaustion, not the right of reproduction or alteration. Moreover, although the right of distribution is broadly defined, only one form of distribution, sale, triggers the exhaustion rule, whereas, once that rule has been brought into play, its effects extend to any form of distribution, with the exception of rental.

49. The question whether the exhaustion rule, as worded in Article 4(2) of Directive 2009/24, is capable of encompassing the marketing of ‘used’ computer software downloaded from the internet has prompted considerable controversy in the Member States, especially in Germany,<sup>22</sup> which controversy is mirrored in the debate taking place in the United States with respect to the application of the ‘first sale doctrine’ in the digital environment.<sup>23</sup>

50. Since exhaustion is conditional on the first ‘sale of a copy of a computer program’ in the European Union by the rightholder or with his consent, it should be determined, first, whether that doctrine, which, since the adoption of Directive 2009/24, has prompted many questions,<sup>24</sup> must be interpreted uniformly.

51. According to the Court’s settled case-law, the need for a uniform application of EU law and the principle of equality require that the terms of a provision of EU law which makes no express reference to the law of the Member States for the purpose of determining its meaning and scope must normally be given a uniform interpretation throughout the European Union.<sup>25</sup> Since Directive 2009/24 does not contain any reference to national laws with respect to the meaning to be ascribed to the expression ‘sale of a copy’, that expression must be regarded, for the purposes of applying that directive, as designating an autonomous concept of EU law which must be interpreted in a uniform manner in the territory of all the Member States, taking into account in particular its terms, the context in which it is used and the objectives pursued both by that directive and by international law.<sup>26</sup>

22 — See Bräutigam, P., ‘Second-hand software in Europe: thoughts on the three questions of the German Federal Court of Justice referred to the Court of Justice of the European Union’, *Computer Law Review International*, 1/2012, p. 1, and Overdijk, T., van der Putt, P., de Vries, E., and Schafft, T., ‘Exhaustion and Software Resale Rights’, *Computer Law Review International*, 2/2011, p. 33.

23 — See Frankel, S., and Harvey, L., ‘Will the digital era sound the death knell for the first sale doctrine in US copyright law?’, *Intellectual Property Magazine*, March 2011, p. 40.

24 — See in particular Strowel, A., and Derclaye, E., *Droit d’auteur et numérique: logiciels, bases de données, multimédia – Droit belge, européen et comparé*, Bruylant, Brussels, 2001. See also Vivant, M., ‘Le programme d’ordinateur au pays des muses; observations sur la directive du 14 mai 1991’, *La semaine juridique – Édition entreprise*, 1991, No 47, p. 479. This author criticises ‘the inability of the authors [of the directive] to distinguish conceptually between the intellectual creation and the medium’ (point 16.2, p. 484).

25 — See to this effect Case C-246/05 *Häupl* [2007] ECR I-4673, paragraph 43 and case-law cited.

26 — See to this effect Case C-393/09 *Bezpečnostní softwarová asociace* [2010] ECR I-13971, paragraph 30 and the case-law cited.

52. It is clear from recitals 4 and 5 in the preamble to Directive 2009/24 that its objective is to remove differences between the laws of the Member States which adversely affect the internal market. Just as the Court held in *Zino Davidoff and Levi*

*Strauss*<sup>27</sup> that the concept of consent, which constitutes the decisive factor in the extinction of the exclusive right, must be interpreted uniformly in order to attain the objective of the 'same protection under the legal systems of all the Member States',<sup>28</sup> so the view must be taken that the condition relating to the sale of a copy of a program must not vary as a function of differing interpretations in the various national legal systems.

53. It must, therefore, be ascertained whether the concept of 'sale of a copy of a program' within the meaning of Article 4(2) of Directive 2009/24 can be applied in circumstances such as those in the main proceedings.

54. Oracle submits that the remuneration sought from the customer represents consideration not simply for downloading the program or making the object code available but for the user agreement conferred by the licensing agreement. Oracle adds that, in most cases, the customer has also concluded a maintenance agreement for updating the program and correcting errors which constitutes a contract for the provision of services. It infers from this that there is no sale within the meaning of Article 4(2) of Directive 2009/24.

55. That analysis seems to me to be erroneous.

56. In my view, it is clear that, under Directive 2009/24, the distinction between sale and rental is the 'summa divisio' on which both the application or otherwise of the exhaustion rule<sup>29</sup> and the scope of that rule depend.<sup>30</sup> Recital 12 in the preamble to that directive defines rental as being the making available for use, for a limited period of time and for profit-making purposes, of a computer program or a copy thereof. Conversely, a computer program or a copy of such a program must be regarded as being sold within the meaning of Article 4(2) of that directive where the transaction, however it may have been described by the parties, involves the transfer of ownership of a copy of the computer program, for an unlimited period of time, in return for the payment of a one-off fee. Moreover, that distinction is consistent with the case-law of the Court of Justice, which has held that exhaustion does not arise in the case of rental<sup>31</sup> but that it does in the case of transfer of ownership.<sup>32</sup>

27 — Joined Cases C-414/99 to C-416/99 [2001] ECR I-8691.

28 — Paragraphs 41 to 43.

29 — In the sense that exhaustion occurs only in the event of sale.

30 — In the sense that the exhaustion following from sale does not permit further rental of the copy. See Czarnota, B., and Hart, R., *Legal Protection of Computer Programs in Europe – A guide to the EC Directive*, Butterworths, 1991, p. 60:

'If sale is the first means of distribution which the rightholder chooses, he can now under the Directive not prevent the resale of the copy which he has sold. Property rights pass from the rightholder to the purchaser in the physical support of the copy of the program, and the purchaser is free to dispose of that tangible property in any way he chooses, except that he may not offer it for rental or licensing. He may, however, lend, give or otherwise dispose of the physical support.

The intellectual property rights of the author in the program contained in that physical support remain unchanged by any of the above transactions. His interests in the intellectual property are only affected when the sold copy is offered for rental, because the act of rental is a form of distribution which would be in direct competition with other forms of exploitation, such as sale of copies, and would therefore prejudice the rightholder's ability to control the normal exploitation of his work.'

31 — See *Metronome Musik*.

32 — See Case C-456/06 *Peek & Cloppenburg* [2008] ECR I-2731.

57. The issue of a licence allowing a copy of a computer program to be made available by download from the internet is a complex transaction which may involve both a contract for the provision of services relating in particular to the making available, implementation and maintenance of the computer program and a contract for the sale of the copy needed for the performance of those services.<sup>33</sup> The content of the authorisation to use the program which is granted in this way may vary.

58. That right of use bears the hallmarks of rental where it has been conferred temporarily in return for the payment of a periodic fee and the supplier has not relinquished ownership of the copy of the computer program, which the rightholder must return to him. On the other hand, it appears to me to bear the hallmarks of sale where the customer secures permanent acquisition of the right to use the copy of the computer program, which the supplier relinquishes in return for a lump sum payment.

59. It is my contention that, taking into account the purpose of exhaustion, which is to limit the exclusivity conferred by the intellectual property right once the marketing operation has enabled the rightholder to realise the economic value of his right, the term 'sale' within the meaning of Article 4(2) of Directive 2009/24 must be given a broad interpretation encompassing all forms of product marketing characterised by the grant of a right to use a copy of a computer program, for an unlimited period, in return for the payment of a one-off fee. An excessively restrictive interpretation of that term would undermine the effectiveness of that provision by divesting the exhaustion rule of all scope, since the marketing of computer software most commonly takes the form of user licences and suppliers would only need to call the agreement a 'licence' rather than a 'sale' in order to be able to circumvent that rule.

60. I infer from this that, even where, as Oracle does, the rightholder draws a somewhat artificial distinction between the making available of the copy of the computer program and the grant of the right to use it, the assignment of a right of use over a copy of a computer program does indeed constitute a sale within the meaning of Article 4(2) of Directive 2009/24.

61. Classifying the transaction as a 'sale' does not, however, constitute a sufficient basis on which to conclude that the distribution right may be exhausted in circumstances such as those in the main proceedings.

62. Oracle, the Spanish and French Governments, Ireland, the Italian Government and the Commission submit that the scope of any exhaustion that may follow from the sale of the copy of the computer program is necessarily limited in that it is confined exclusively to the right to distribute a copy of a computer program incorporated in a material medium.

63. In their submission, that interpretation is supported by a number of arguments.

64. It is submitted that the operation of downloading a computer program from the internet is not an act of distribution within the meaning of Article 4(2) of Directive 2009/24 and Article 4(1) of Directive 2001/29 but an act of communicating the work to the public within the meaning of Article 3(1) of the latter directive. Article 3(3) of Directive 2001/29 states that the right of communication is not exhaustible.

65. Furthermore, it is clear from the aforementioned Commission report of 10 April 2000 that exhaustion of copyright applies only to the sale of copies, i.e. goods, whereas supply through online services does not entail exhaustion.<sup>34</sup>

33 — See to this effect Dusollier, S., *Droit d'auteur et protection des œuvres dans l'univers numérique – Droits et exceptions à la lumière des dispositifs de verrouillage des œuvres*, Larquier, Brussels, 2007, Nos 529 and 530. This author describes the transaction as a 'complex ... form of contract', which can be broken down into a contract for the sale of the data carrier or for the provision of services where it involves downloading or remote use, and a licensing agreement relating to copyright in the work which is incorporated in the data carrier or transferred electronically.

34 — See p. 18 of the report.

66. The same restrictive understanding of the concept of exhaustion can also be found in Directive 2001/29, which provides clear evidence of the EU legislature's wish to limit the rule to a single form of distribution of the work, that is to say the sale of an item of goods incorporating the computer program.

67. It is argued in particular that Article 4(2) of Directive 2001/29 provides for the exhaustion of the distribution right only in the event of first sale or first other transfer of ownership of an 'object'. Moreover, recitals 28 and 29 in the preamble to that directive state, in the case of the former, that copyright protection under that directive includes 'the exclusive right to control distribution of the work *incorporated in a tangible article* [<sup>35</sup>]' and, in the case of the latter, that 'the question of exhaustion does not arise in the case of services and online services in particular'. Recital 29 goes on to say that 'this also applies with regard to a material copy of a work or other subject-matter made by a user of such a service with the consent of the rightholder [and that] unlike CD-ROM or CD-I, where the intellectual property is incorporated in a material medium, namely an item of goods, every online service is in fact an act which should be subject to authorisation where the copyright or related right so provides'.

68. What is more, recital 29 in the preamble to Directive 2001/29 was modelled on recital 33 in the preamble to Directive 96/9, which already makes clear the EU legislature's intention to provide for exhaustion only in the context of the movement of a product comprising a material container and an intellectual content. That intention is also apparent from recital 43 in the preamble to the latter directive, which states that, in the case of online transmission, the right to prohibit re-utilisation is not exhausted either as regards the database or as regards the material copy of the database or of part thereof made by the addressee of the transmission with the consent of the rightholder.

69. Finally, international law supports the restrictive interpretation of exhaustion. One of the purposes of Directive 2001/29 is to implement the WIPO Copyright Treaty in the Member States. As the Court pointed out in *Peek & Cloppenburg*, EU legislation must, so far as possible, be interpreted in a manner that is consistent with international law, in particular where its provisions are intended specifically to give effect to an international agreement concluded by the European Union.<sup>36</sup> It must therefore be concluded that Directive 2001/29, which is intended to implement some of the international obligations contained in the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty adopted in Geneva on 20 December 1996,<sup>37</sup> must be interpreted in the light of the Joint Declarations on the WIPO Copyright Treaty, which state that exhaustion of the right of distribution referred to in Article 6(2) of that treaty relates 'exclusively to fixed copies that can be put into circulation as tangible objects'.

70. Those arguments do not strike me as being entirely convincing.

71. In the first place, contrary to what the Commission submits, I do not think that the distribution of a computer program by download from the internet can escape classification as a 'distribution right' so as to fall within the definition of the right of communication to the public provided for in Article 3(3) of Directive 2001/29. There are, in my view, two fundamental objections to that interpretation.

72. First, if we accept that the general provisions of Directive 2001/29, the very purpose of which is to adapt copyright to the digital environment, may inform the interpretation of the special provisions contained in Directive 2009/24, which simply codifies Directive 91/250, adopted before the emergence of the internet, it must nevertheless be noted that Article 1(2)(a) of Directive 2001/29 states that the latter 'shall leave intact and shall in no way affect existing [EU] provisions relating to ... the legal protection of computer programs'. In so far as Directive 2009/24 makes no reference to the concept

35 — My emphasis.

36 — Paragraph 30 and the case-law cited.

37 — See recital 15 in the preamble to that directive.

of right of communication and defines the right of distribution in the broadest sense as encompassing ‘any form of distribution to the public ... of the original computer program or of copies thereof’, I find it difficult to conclude, on a combined reading of those two directives, that the right to make a work available to the public as referred to in Article 3(1) of Directive 2001/29 is applicable to computer programs. Moreover, I do not consider that the judgment in *Bezpečnostní softwarová asociace*, on which the Commission relies in support of its argument, can be interpreted to that effect.<sup>38</sup>

73. Next, in the absence of any definition in Directive 2001/29 of the right to communicate works to the public, the right to make works available to the public and the right of distribution, Articles 3 and 4 of that directive must be interpreted as far as possible in the light of the WIPO Copyright Treaty.<sup>39</sup> Article 6(1) of that treaty refers to the distribution right as being the right to authorise the making available to the public of the original and copies of a work ‘through sale or other transfer of ownership’. The wording of that provision is unequivocal. The existence of a transfer of ownership clearly changes a mere act of communication to the public into an act of distribution.

74. Secondly, the evidence contained in the preamble to Directive 2001/29 is neither clear nor unambiguous.

75. Thus, a converse reading of the first sentence of recital 28 in the preamble to that directive, which provides that ‘[c]opyright protection under this Directive *includes* [<sup>40</sup>] the exclusive right to control distribution of the work incorporated in a tangible article’, implies that that right also includes other forms of distribution. Indeed, the second sentence of that recital, relating to exhaustion, does not limit exhaustion to one particular form of distribution.

76. Recital 29 in the preamble to Directive 2001/29 is not without ambiguity either. While it appears to draw a distinction between the sale of goods, to which the exhaustion rule would apply, and the provision of services, to which that rule would be inapplicable, the fact remains that online services, as defined by EU law, include the sale of goods online.<sup>41</sup> Thus, for example, by the standard of the wording of that recital, the exhaustion rule should not apply to an online purchase of a CD-ROM in which the copy of the computer program is incorporated. To my mind, however, the distinction as to whether the sale takes place remotely or otherwise is irrelevant for the purposes of applying that rule.

77. Thirdly, an interpretation of Article 4(2) of Directive 2009/24 to the effect that the exhaustion rule does not apply to internet downloads, when that form of marketing is used extensively to distribute computer programs, would have the effect of limiting the scope of that rule very significantly and, at the same time, of restricting freedom of movement.

78. Although Article 36 TFEU provides that such restrictions may be justified on grounds of, inter alia, the protection of industrial and commercial property, it is none the less settled case-law that a derogation on that ground is allowed only to the extent that it is justified by the need to safeguard the rights which constitute the specific subject-matter of that property.<sup>42</sup> That principle makes it necessary to determine, in relation to each intellectual property right in question, the conditions under which the exercise of that right will be regarded as being compatible or otherwise with EU law.

38 — I do not see how it can be inferred from that judgment concerning graphic user interfaces that the right to make a work available to the public as referred to in Article 3(1) of Directive 2001/29 is applicable to computer programs when the Court has specifically stated that graphic user interfaces do not constitute a form of expression of a computer program.

39 — See point 69 of this Opinion.

40 — My emphasis.

41 — See to this effect recital 18 in the preamble to Directive 2000/31/EC of the European Parliament and of the Council on certain legal aspects of information society services, in particular electronic commerce, in the Internal Market (‘Directive on electronic commerce’) (OJ 2000 L 178, p. 1).

42 — Case C-143/00 *Boehringer Ingelheim* [2002] ECR I-3759, paragraph 28, and Joined Cases C-403/08 and C-429/08 *Football Association Premier League and Others* [2011] ECR I-9083, paragraph 106 and case-law cited.

79. However, I doubt that authorising the rightholder to prevent a person who has lawfully acquired ownership of a copy of a computer program from reselling it falls within the ambit of safeguarding the rights which constitute the specific subject-matter of copyright.

80. The Court, in its assessment of the legality of derogations from the freedom of movement on grounds of the protection of copyright, ascertains whether or not the copyright holder was deprived of the remuneration to which he was legitimately entitled.

81. In *Football Association Premier League and Others*, the Court, after pointing out that derogations from the principle of freedom of movement can be allowed only to the extent to which they are justified for the purpose of safeguarding the rights which constitute the specific subject-matter of the intellectual property concerned and that the specific subject-matter of the intellectual property is intended in particular to ensure for the rightholders concerned protection of the right to exploit commercially the marketing or the making available of the protected subject-matter, by the grant of licences in return for payment of remuneration, stated that the specific subject-matter of the intellectual property does not guarantee the rightholders concerned the opportunity to demand the highest possible remuneration but only appropriate remuneration, that is to say, reasonable in relation to the economic value of the service provided, for each use of the protected subject-matter.<sup>43</sup>

82. Then, having found that the premium paid by broadcasters in order to be granted absolute territorial exclusivity was such as to result in artificial price differences between the partitioned national markets, it inferred from this that such a payment went beyond what was necessary to ensure appropriate remuneration for the rightholders.<sup>44</sup>

83. I consider that, in circumstances such as those in the main proceedings, the rightholder has received appropriate remuneration where he has been paid in return for the grant of a right to use a copy of a computer program. Allowing him to control the resale of that copy and, in that event, to demand further remuneration, on the pretext that the copy was fixed on a data carrier by the customer after having been downloaded from the internet, instead of being incorporated by the rightholder in a medium which was put on sale, would have the effect not of protecting the specific subject-matter of the copyright but of extending the monopoly on the exploitation of that right.

84. In the light of the foregoing, the answer to the second question raised by the referring court should be that Article 4(2) of Directive 2009/24 must be interpreted as meaning that the right to distribute the copy of a computer program is exhausted if the rightholder, who allowed that copy to be downloaded from the internet to a data carrier, also granted, for consideration, a right to use that copy for an unlimited period of time. After all, a sale within the meaning of that provision is constituted by any act by which a copy of a computer program is made available in the European Union, in any form and by any means, for the purpose of being used for an unlimited period and in return for a lump-sum payment.

### C – *The first and third questions*

85. By its first and third questions, the referring court asks the Court, in essence, whether, as a ‘lawful acquirer’ within the meaning of Article 5(1) of Directive 2009/24, the acquirer of the user licence may rely on the exhaustion rule laid down in Article 4(2) of that directive in order to make a new copy of the computer program if the first acquirer has erased his copy or no longer uses it.

43 — *Football Association Premier League and Others*, paragraphs 106 to 109 and the case-law cited.

44 — Paragraphs 115 and 116.

1. Observations of the parties to the main proceedings, the governments and the Commission

86. UsedSoft submits that the principle of exhaustion would be divested of its substance if it were held that the rightholder could not control the further distribution of copies of programs but could continue to control acts of use which require the program to be reproduced.

87. UsedSoft adds that the fact that the first acquirer erases or no longer uses his copy of the computer program makes it possible to ensure that the computer software transferred by the manufacturer will not be used on two or more occasions.

88. In Oracle's view, the term 'lawful acquirer' in Article 5(1) of Directive 2009/24 refers only to an acquirer authorised to use the computer program under a licensing agreement, whereas the expression 'use in accordance with the intended purpose [of the computer program]' relates to use in accordance with the right of use conferred by the rightholder, with the result that it must be defined, where appropriate, on the basis of the relevant stipulations of the licensing agreement defining the nature and extent of the right of use.

89. Oracle adds that exhaustion relates only to the right to distribute the copy of the computer program put into circulation and cannot affect the right of use, which includes a right of reproduction in the case of computer programs the use of which involves reproduction.

90. According to Oracle, which argues by analogy with trade mark law, the meaning and purpose of the principle of exhaustion is not to confer on persons other than the rightholder the legal power necessary to divide and break up the right of initial use held by a specific number of users into many additional rights of use. A further drawback of the practice of reselling 'used' licences is that it makes it impossible to market licences at a reduced price to make it easier for the programs to be used by financially fragile user groups such as training institutions.

91. Oracle also argues that neither the rightholder nor the sub-acquirer can verify that the first acquirer has indeed erased his copy or no longer uses it.

92. The French Government, Ireland and the Italian Government maintain, in essence, that only the person who possesses a right to use the computer program conferred by the rightholder can be considered to be a 'lawful acquirer' within the meaning of Article 5(1) of Directive 2009/24. The French Government and Ireland further submit that a person who has not acquired a licence from the rightholder and is not therefore the lawful acquirer of the program cannot rely on the exhaustion rule.

93. While they take the view that the person who can rely on exhaustion of the right to distribute the copy of the computer program is a 'lawful acquirer' within the meaning of Article 5(1) of Directive 2009/24, the Spanish Government and the Commission consider that there is no need to answer the third question raised by the referring court since their answer to the second question is in the negative.

2. My assessment

94. The answer to this question can be inferred, in my view, from the distinction between the right of distribution, which is exhaustible, and the right of reproduction, which is not exhaustible.

95. It is common ground in this case that the user licence conferred by Oracle allows the computer program to be reproduced via a connection to Oracle's website. It follows from this, in my view, that the assignment of the rights of use conferred by that licence falls within the ambit not of the right of distribution but of the right of reproduction.



96. While the simultaneous resale of the downloaded copy by the first acquirer, together with its use, falls within the ambit of the right of distribution, the assignment of a user licence such as that issued by Oracle to its customers involves the exercise of the exclusive right of reproduction, since it allows a new copy of the program to be made by download from the internet or by reproduction from a copy already held by the user.

97. It follows from the clear wording of Article 4(2) of Directive 2009/24 that the principle of exhaustion relates exclusively to the distribution of a copy of the computer program and cannot adversely affect the right of reproduction, which cannot be impaired without adversely affecting the very substance of the copyright.

98. Moreover, in my view, that obstacle cannot be circumvented by recourse to Article 5(1) of that directive. As I see it, the purpose of that provision is confined to enabling a person who already possesses a copy of the computer program to make a reproduction of that copy so that the program can be used for its intended purpose. It does not, however, authorise a person who does not already possess a copy of the program to reproduce it not in order to use it in accordance with its intended purpose but simply in order to use it. Furthermore, that provision, which is conditional on the absence of specific contractual provisions, can, in my opinion, apply only to an acquirer who has a contractual relationship with the rightholder.

99. I do not consider that, as the legislation currently stands, the exhaustion rule, which is inherently linked to the right of distribution, can be extended to the right of reproduction. I am aware that confining the rule in this way only to copies materially incorporated in a data carrier after being downloaded from the internet will severely limit its scope in practice but, although justifiable on grounds of the need to preserve the effectiveness of the exhaustion rule and to give precedence to the free movement of goods and services, the converse solution, which would have the effect of widening the scope of the exhaustion rule beyond that envisaged by the EU legislature,<sup>45</sup> cannot, in my view, be adopted without jeopardising the principle of legal certainty, which requires the rules of EU law to be foreseeable.

100. I conclude from the foregoing that Article 4(2) and Article 5(1) of Directive 2009/24 must be interpreted as meaning that, in the event of resale of the right to use the copy of a computer program, the second acquirer cannot rely on exhaustion of the right to distribute that copy in order to reproduce the program by creating a new copy, even if the first acquirer has erased his copy or no longer uses it.

## V – Conclusion

101. In the light of the foregoing considerations, I propose that the Court should reply as follows to the questions referred by the Bundesgerichtshof:

- (1) Article 4(2) of Directive 2009/24/EC of the European Parliament and of the Council of 23 April 2009 on the legal protection of computer programs must be interpreted as meaning that the right to distribute the copy of a computer program is exhausted if the rightholder, who allowed that copy to be downloaded from the internet to a data carrier, also granted, for consideration, a right to use that copy for an unlimited period of time.

<sup>45</sup> — It should also be pointed out that, in the Commission Communication to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions of 11 January 2012 on a coherent framework for building trust in the Digital Single Market for e-commerce and online services, the Commission states that it will take action to 'ensure that the European strategy for intellectual property rights is implemented rapidly and ambitiously, in particular by ... the review of [Directive 2001/29]' (see point 2 of the main actions, p. 8).

After all, a sale within the meaning of that provision is constituted by any act by which a copy of a computer program is made available in the European Union, in any form and by any means, for the purpose of being used for an unlimited period and in return for a lump-sum payment.

- (2) Articles 4(2) and 5(1) of Directive 2009/24 must be interpreted as meaning that, in the event of resale of the right to use the copy of a computer program, the second acquirer cannot rely on exhaustion of the right to distribute that copy in order to reproduce the program by creating a new copy, even if the first acquirer has erased his copy or no longer uses it.