



WHITE PAPER

Corporate Social Responsibility: Good Corporate Citizens Respect Copyright and the Property of Others

The logo for RightsDirect, featuring the word "RightsDirect" in a blue, serif font. Above the letters "i", "t", "i", "e", and "t" are five small, orange, circular dots of varying sizes, arranged in a slight arc.

A Copyright Clearance Center Subsidiary

What is Corporate Social Responsibility (CSR)?

CSR is the integration of business operations and values, whereby the interests of all stakeholders including investors, customers, employees, the community and the environment are reflected in the company's policies and actions.¹

The Global Reporting Initiative (GRI - www.globalreporting.org) provides the standard framework for CSR reporting used around the world. GRI develops and promotes the G3 standard for CSR reporting. There are three pillars to CSR reporting:

1. **ECONOMIC:** The philanthropic and economic practices of giving back to both internal and external communities that serve the organization. Communities can be geographic, employees, partners, clients, vendors, etc.
2. **ENVIRONMENTAL:** The environmental and sustainability practices of the organization to wisely protect and steward resources needed to operate the business and the communities it operates in.
3. **SOCIAL:** The respect and concern for individuals and property in the communities that serve or service the organization.

The Era of the Socially Responsible Organization

Organizations are under increasing demand to function in responsible and sustainable ways. Stakeholders expect businesses to perform operations in a manner that defines them as good corporate citizens. This is the era of the socially responsible organization and requires that organizations develop a strategy for *corporate social responsibility (CSR)* based on reality — and not mere marketing and positioning. A CSR program consists of the three dimensions of economic, environmental and social responsibility. Specifically, the respect and protection of copyright and intellectual property of others is an area of social responsibility organizations must integrate into broader CSR initiatives.

Integrity and Sustainability

Socially responsible organizations are expected to conduct operations and generate profits by adopting standards of accountability, transparency and reporting. The goal is to be an organization of trust and integrity. Integrity reveals the truth about a corporation: CSR must be a reality in both communication and practice.

Integrity is measured by what an organization does and does not do when no one is looking. Does the organization hold to its obligations, values, beliefs and ethics? Or does it compromise, take shortcuts and operate counter to what it has committed to do?



Organizations can come under scrutiny when social responsibility reports, filings and stakeholder communications state one thing and in reality the corporation is doing something else. This inconsistency comes as a result of lack of commitment, ignorance, market pressure, management pressure or a willingness to deceive.

Integrity is violated when corporate responsibility, policies and procedures are abandoned in the quest for personal or corporate gain. Integrity is also violated when the organization fails to implement and enforce policies to meet its commitments — including the respect and protection of intellectual property. For a corporation to have integrity, it must have an ethical environment, with employees and business partners willing to establish and enforce corporate culture, policies and procedures.

¹ http://www.csrwire.com/categories/23-Corporate-Social-Responsibility/press_releases



The Benefits of CSR

Organizations are recognizing the benefits of encouraging responsible business practices and how it can reduce reputational and brand risk. Public and private companies are currently establishing CSR performance metrics and including them in annual CSR reports. Some of the recognized benefits of a CSR program are:

- **Improved business relationships** – Individuals and other organizations want to interact and work with reputable businesses. CSR helps organizations find and retain clients, partners and employees that share the same values as the organization. It helps organizations establish strong business relationships founded on principles and practices held in common. CSR helps improve the perception of a company across its relationships.
- **Better risk management** – Managing reputation and brand risk is critical to organizations. The organization's reputation and brand takes decades to build but can be ruined overnight through missteps and incidents. This can draw unwanted attention from regulators, courts, governments and the media. Building a genuine culture of integrity and corporate responsibility helps an organization establish trust and manage brand and reputation-related risks.

The Social Dimension of CSR

Corporations strive to be socially responsible. Socially conscious organizations aim to build reputation not only on profitability but also on practices that demonstrate their interest in being a good corporate citizen in the communities they serve and are served by. This includes acting responsibly by obeying laws, respecting the property of others and investing in communities.

The socially responsible organization recognizes the impact of communities and influencers upon the organization and strives to:

- Comply with laws and regulations.
- Manage and monitor risks that lead to a compromise of social responsibility statements and principles.
- Meet investor and stakeholder expectations for CSR commitments and performance.
- Understand the influence and expectations of media, nongovernmental organizations, lobbying groups, clients and business partners.
- Utilize social responsibility practices for development of the corporate brand and competitive advantage.

Copyright Social Responsibility at Intel

Intel has been recognized as one of the world's best corporate citizens and most ethical companies². Intel has adopted copyright licensing solutions that give the company tools needed to easily collaborate and share information responsibly. Intel acknowledges and supports copyright and intellectual property protection in its code of conduct:

“ Intellectual property rights are crucial to protecting the investments that companies and individuals make in developing new products and ideas. We may not copy, reproduce or transmit protected material, such as writing, video, photographs, movie clips and software unless we have authorization or license.² ”

The Role of Intellectual Property in CSR

Because business activities are becoming increasingly international and complex, a growing number of companies are voluntarily reporting on their social responsibility and performance. This historically has included respect for individuals through ethical labor practices and the ways the organization is giving back to the communities it serves and supports around the world. The focus of social responsibility is now expanding to include respect for copyrighted material and the intellectual property of others.

Intellectual property and copyright compliance play an expanding role in CSR as well as broader governance, risk management and compliance (GRC) strategies. Organizations need policies and processes to identify, capture, organize and protect the organization's portfolio of intellectual property internally, such as copyrights, trademarks, patents, trade secrets and related intangible assets with inherent value. It also includes — with growing awareness and focus — the respect and protection of intellectual property and copyrighted materials produced by others that falls within the corporation's scope of responsibility.

The organization must actively engage and empower the following roles to establish leadership in social responsibility practices:

1. **Directors and executive management** – Ultimately the board and management have a key stake in establishing the culture, ethics and values of the organization. The code of conduct should be defined and enforced from the top down. This includes the development, approval, communication and enforcement of a code of conduct that includes respect for the copyrighted material and property of others (see Intel statement).
2. **Employees** – If executives fail to define, communicate and train on what the company's values and ethics are, employees are left to define for themselves how they should use intellectual property and copyrighted material. Even when executives have defined and communicated values, it is ultimately up to individual employees to mold, shape and make corporate culture a reality.
3. **Business partners** – An organization is no longer an entity unto itself — and sometimes, it is impossible to define where the boundaries of an organization start and stop. The extended enterprise of business partners, supply chain, outsourcers, service providers, contractors, consultants, temporary staffing and clients influence and shape the culture and brand of an organization. Organizations, particularly in an era of corporate social responsibility, need to validate they are doing business with organizations that share the same values and communicate their values to all members of the extended enterprise. No organization wants to be in the media spotlight for partnering with unethical businesses.

² In 2012 Intel has been recognized as one of the most ethical companies in the world. This includes being fourth on Corporate Responsibility Magazine's 100 Best Corporate Citizens list as well as on Ethisphere's World's Most Ethical Companies list. Intel's Code of Conduct which can be found connected to their Corporate Social Responsibility Web site: <http://www.intel.com/content/www/us/en/corporate-responsibility/corporate-responsibility.html>



Intellectual Property and Copyright Practices of the Socially Responsible Organization

As the requirements for CSR and sustainable growth become progressively more demanding in terms of their degree of transparency, reliability and ability to be audited, companies need to look past the initial excitement and establish the infrastructure — resources, budgets, planning and technology — to support them as ongoing enterprise-wide programs. To successfully meet these challenges, companies must have the right policies, training, processes and tools in place.

The core social responsibility practices for managing intellectual property and copyright in the era of CSR are:

- **Understand your exposure** – An organization should conduct a regular assessment of its policies and controls to see how well they protect the copyrighted material and intellectual property of others — particularly how the company protects the rights of material published by third parties. This starts with understanding and creating an inventory of how copyrighted and protected information of all media types — print and electronic — is used throughout the organization, and identifying areas of the organization at increased risk of noncompliance.
- **Observe business change** – There is a constant cycle of change in employees, business partners, relationships and processes. There is also change in copyrighted information being used. The organization must make sure it is current in understanding where and how copyrighted information is used and take steps to keep employees and business partners up-to-date on policies and protection of the company's property, and the intellectual property of others.
- **Tone at the top** – The critical message of the socially responsible organization, including the respect of copyright and intellectual property, must be communicated from and demonstrated by executives who follow the same rules as everyone else.
- **Keep policies and training current** – Written policies that are inaccessible are meaningless. Organizations need active training programs to educate and develop a culture of respect and protection of copyrighted information. This goes beyond messaging about compliance with the law, and extends to establishing a culture that behaves in a socially responsible way when using and sharing the information of others.
- **Compliance oversight** – Someone needs to be in charge. The socially responsible organization will see that there is a role focused on keeping policies and controls current for the protection of copyright and intellectual property. This role is an advocate for developing the culture and making sure policies are understood and training is completed.



- Monitoring** – The organization needs ongoing assessment of intellectual property and copyright protection policies and controls to assess the state of compliance across the organization. This involves surveys, self-assessments and automated assessments for regular compliance risk and control monitoring. Success requires that risk assessments not only be done on a periodic basis, but also when there is significant business change that could impact compliance policies.

An organization is going to have its values and boundaries defined somewhere. Either management will lead the charge or others will. Where these practices — including the policies, training and controls — are not centrally defined, managed and communicated, the organization risks violating copyright and intellectual property of others. The socially responsible organization understands and sees that the organization uses the property of others in a way that complies with the law and respects copyrighted material.

Becoming a Socially Responsible Organization

Integrity is measured by what an organization does; the values and boundaries that corporations establish reflect how they are viewed within their local communities and within the marketplace. In this era of social responsibility, corporations strive to be viewed as good corporate citizens, but in order to achieve this organizations need to adopt principles, and deliver with actions and policies that support corporate social responsibility.

As the digital workplace expands, corporations are expected to respect intellectual property and protect copyrighted information, whether that means someone else’s work or information that corporations themselves create. Organizations need to embrace this important element as part of their CSR strategy in order to be operating as reputable, responsible and respected corporate leaders within the global community.

About RightsDirect

RightsDirect provides licensing solutions that make copyright compliance easy, allowing companies to re-use and share the most relevant digital content across borders. With RightsDirect copyright licenses and complementary information management tools, users can instantly check license coverage, manage permissions and optimize content workflow in one integrated solution.

Based in Amsterdam, RightsDirect is a wholly owned subsidiary of Copyright Clearance Center (CCC). Working in partnership with the world's leading publishers and collecting societies, we compensate participating rightsholders for the re-use of their works. Together, CCC and RightsDirect serve more than 35,000 companies and over 12,000 publishers around the globe. For more information, please visit www.rightsdirect.com.

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Michael Rasmussen is an authority in understanding Governance, Risk and Compliance (GRC) processes. He is a sought-after keynote speaker, author and advisor on risk and compliance issues around the world and is noted for being one of the earliest advocates for GRC.

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Copyright Compliance Made Easy

If corporate social responsibility and copyright protection go hand in hand, how can copyrighted information lawfully be shared across the enterprise and how can a global organization act responsibly when it comes to copyright compliance?

A comprehensive solution is the [Multinational Copyright License](#), which was specifically designed for the copyright needs of global companies by RightsDirect, the international subsidiary of US-based Copyright Clearance Center. The Multinational Copyright License simplifies copyright compliance by providing organizations with the rights to share content worldwide from millions of information sources while respecting the intellectual property rights of others. With the Multinational Copyright License, companies can access 950 million usage rights for publications offered by 12,000 publishers in 180 countries in the form of one annual license.

As technology continues to simplify the way workers find and share information, the RightsDirect solution provides a simple and cost-effective way to help employees share content and make copyright compliance easy across national borders.

The Multinational Copyright License allows companies to:

- save effort and money by reducing time spent pursuing permissions individually.
- benefit from a consistent set of permissions across all participating rightsholders.
- significantly reduce copyright infringement risk and support corporate governance policies.

RightFind™

Included with the purchase of a Multinational Copyright License, RightFind™ Advisor allows employees around the globe to conveniently check license coverage online without leaving their workflow.

Copyright Education

RightsDirect licensees are entitled to attend copyright education programs and to get assistance with corporate compliance programs. This incorporates instructor-led trainings, group discussions, question and answer sessions and analysis of real-world scenarios.

Solutions for German-based organizations

For organizations located in Germany, the [VG WORT Digital Copyright License](#) is specifically designed to meet the licensing needs of German organizations and their worldwide subsidiaries. RightFind™ Advisor and Copyright Education are also available.



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