

legislation where she is a vigorous advocate for the Patient's Bill of Rights, Medicare reform, mental health, environment, high technology, and telecommunications issues.

LOIS' recognition by the UCSB Alumni Association is altogether appropriate. She was a member of the University community as a spouse, student, and now as a distinguished alumnus and Congressional representative. She loves the UCSB campus, and the campus community of faculty, administrators, and students return that affection many thousand-fold.

Mr. Speaker, we should all be proud of this recognition LOIS CAPPAS has received in her district. She continues to bring distinction to our institution and our state, and is an inspiration to all whose lives she has touched.

HONORING THE 100TH ANNIVERSARY OF THE GREATER FIRST BAPTIST CHURCH

HON. BART GORDON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 7, 2000

Mr. GORDON. Mr. Speaker, today I recognize the 100th year of existence of the Greater First Baptist Church of Lewisburg, Tennessee. The congregation will celebrate the church's 100th anniversary on Sunday, June 25, 2000.

The church was first erected in 1900 as a one-room building heated with wood and coal. In 1959 the church underwent a much-needed expansion and renovation project under the guidance of the Rev. W.P. Johnson, who was called to pastor the church in September 1941. Johnson's son, the Rev. Herbert Johnson, took over as pastor of Greater First Baptist Church in September 1997. The elder Johnson now serves as the church's pastor emeritus.

The church has served its community and congregation well for an entire century, a time during which our nation struggled through much change and innovation. Through those many years, though, Greater First Baptist Church never faltered in its commitment to bring the Lord's word to the people.

Lewisburg is a much stronger community because of the work of the church and its congregation. I congratulate the congregation's perseverance and am sure the church will be just as strong during its next 100 years of service.

IN HONOR OF THE LATE ELMER W. ROGOZINSKI

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 7, 2000

Mr. KUCINICH. Mr. Speaker, today I honor Elmer W. Rogozinski, who passed away on June 5, 2000.

Elmer Rogozinski was born on May 14, 1918 to James and Martha Rogozinski and was the oldest of their five children. Elmer Rogozinski graduated from East Tech High School, and then studied at the Cooper School of Art. During World War II, Elmer Rogozinski served for four years with the 9th Air Force as a radio operator. He married Kay

Sot in 1947, and together they had two daughters, Diane and Janice.

Elmer Rogozinski was an active member of St. John Cantius church since 1947. He was a Mass server and committeeman, as well as a member of the St. John Cantius Mom's & Dad's Club. In 1958 he joined the 4th Degree Bishop O'Reilly of the Knights of Columbus as a member of the Color Corp. Since 1961, he served as the scribe for the Knights of Columbus Trinity Council paper, the Recorder. In 1963, Elmer Rogozinski was the Trinity Council Knight of the Year, and in 1984 he was the 4th Degree Bishop O'Reilly Knight of the Year.

Elmer Rogozinski was a man who enjoyed the little things in life. He bowled in the Trinity Council bowling league since the 1960s. Elmer loved to go bike riding and play baseball with his four grandchildren. He enjoyed packing food bags at the Tremont Hunger Center and teaching art classes during the summer to young children at St. John Cantius.

My fellow colleagues, please join me in paying tribute to Elmer W. Rogozinski, a great man whose loving and giving nature are an example to us all.

SECURITY INTERESTS IN COPYRIGHTS FINANCING ACT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 7, 2000

Mr. GEKAS. Mr. Speaker, this statement was to be included in the Congressional Record with the introduction of H.R. 4351, the "Security Interests in Copyrights Financing Act" which was introduced on the floor on May 2, 2000.

I was pleased to introduce the "Security Interests in Copyrights Financing Act" with the distinguished representative from Virginia, Mr. Boucher.

This simple bill is focusing on curing a major source of legal uncertainty regarding the ability of owners of valuable copyrights to leverage that value as a source of working capital. Resolving this in a timely manner is becoming very important, and should not wait on years of further court decisions—at the end of which Congressional clarification would probably still be required.

Intellectual Property (IP), including copyrights, is becoming an ever-larger portion of the Nation's total wealth, and new methodologies for objectively valuing these assets are coming into the marketplace. Once it can be valued in a standardized manner, IP can secure a loan as well as any tangible property.

At the same time, other trends make resolving this uncertainty a pressing issue.

First, most bankruptcy experts expect a coming wave of "dot-com" filings as some Internet related firms find that their business model is terminally flawed. The only valuable asset that most of these firms have is intellectual property, and it would be best for all parties in interest if the issue of whether or not their copyrighted or copyrightable IP had been secured under a UCC filing was clearly resolved, and not a matter of litigation in a variety of circuits. The value of these assets can wither quickly if they are not being utilized in the fast-moving technology sector, but that is just what will happen if ownership is contested

through long court battles. That will be to the detriment of all parties in interest to these insolvency proceedings.

Second, some of these firms can avoid insolvency, even in an emerging era of tightened equity financing, if they can borrow against their copyright assets: but their ability to do so is clouded by the current legal uncertainty.

Finally, many firms may find that a developing market for IP-secured loans offers an attractive alternative to equity financing, both in regards to total borrowing costs as well as to retention of ownership in valuable assets.

Until a decade ago, it was the general legal view that copyrights, like other intellectual property, were within the general intangibles category under the Uniform Commercial Code, and could be secured as loan collateral through a UCC-1 filing with the Secretary of State in which a borrower resided. However, several 9th Circuit bankruptcy court decisions have put this whole area under a cloud. The 1990 Peregrine Entertainment decision held that the Copyright Act preempts all state law, including the UCC. Then, in 1997, the Avalon Software decision held that a security interest in copyrightable material, even if it had not been registered with the Copyright Office, could only be secured by a Copyright Office filing. Even within the 9th Circuit, the law has become more unsettled with the 1999 World Power decision, in which a different bankruptcy judge held that a loan could be secured in copyrightable but unregistered material through a UCC filing, directly contradicting the Avalon decision. However, even the World Power decision offers little comfort to lenders, since their lien would be lost if the material's owner registered it with the Copyright Office.

There are many reasons why utilizing the copyright registration system is inappropriate and ill suited to the perfection of a security interest. The fundamental reason, of course, is that the UCC and the Copyright Act address disparate and largely incompatible goals. But there are many other practical reasons, including:

- A UCC filing quickly provides notice to other parties that a security interest has been taken in the material, whereas it can take months before the Copyright Office provides such public notice to third parties.

- A UCC filing is easy for others to locate, as it filed under the debtor's name in their state of doing business; whereas copyright filings are listed under the name or number of the registered work and are consequently difficult for lenders to locate.

- Commercial law has long incorporated the concept of a "blanket lien" so that, for example, a lender that, through a single UCC filing, has secured a lien on version 1.0 of software will see that lien carry over to a subsequent version that enjoys marketplace success. Copyright law, however, requires a separate registration for each version and, consequently, a separate filing by a lender on each separate copyright.

- Borrowers may wish to obtain credit against material so that it can be developed to a state in which it is ready to be copyrighted and then marketed. Or they may wish to avoid registration so that, for example, they do not have to reveal a significant portion of software source code. Yet, since a lender can only register a lien with the Copyright Office against material that has already been copyrighted,