



FOLLOW THE MONEY: CAN THE BUSINESS OF AD-FUNDED PIRACY BE THROTTLED?

6.30pm, May 28th 2013, Fyvie Hall, University of Westminster, 309 Regent Street, W1B 2UW

- *MusicTank announces new think tank focused on ad-funded piracy and relations between music and "Big Tech"*

- *Speakers confirmed for May 28th event include David Lowery (Camper Van Beethoven/Cracker/The Trichordist) and Theo Bertram (UK Policy Manager for Google)*

30th April 2013:- *"Fighting online piracy is extremely important. We are investing a lot of time and money in that fight. Last year alone we acted on copyright takedown notices for more than 5 million webpages and invested more than \$60 million in the fight against ads appearing on bad sites. And we think there is more that can be done here—like targeted and focused steps to cut off the money supply to foreign pirate sites. If you cut off the money flow, you cut the incentive to steal."* [*'Don't censor the web' - Google's blog on PIPA & SOPA - January 17th 2012*]

MusicTank's first think tank of 2013 will focus on the contentious issue of ad-funded piracy.

This is the systematic and industry-scale practice of servicing advertisements, often from major blue chip FTSE and Fortune 500 corporations, to unlicensed cyberlockers and filesharing networks - offering them a financial lifeline and a veneer of legitimacy.

As reported by the Wall Street Journal, a study part commissioned by Google in 2012 found that 86% of peer-to-peer sharing sites are dependent on advertising for income.

Hosted on the evening of May 28th, in Central London, we will discuss how this phenomenon has proliferated, the role of search engines and other businesses in controlling online advertising, and the impact to both legitimate services and creators.

And, perhaps most importantly, we will also investigate whether 'cutting off the money flow' represents a winnable - or at least more palatable - strategy in the battle against infringement, and where this leaves the traditionally-strained relationship between music and 'Big Tech'.

We are delighted to announce that David Lowery, singer and songwriter in acclaimed US bands Cracker and Camper Van Beethoven, whose writings on The Trichordist have done so much to bring this issue to light, will keynote the event.

He will be joined by Theo Bertram, UK Policy Manager for Google - formerly Special Adviser to the Prime Minister for both Tony Blair and Gordon Brown and Head of the Research and Information Unit at 10 Downing Street.



Said MusicTank Chairman Keith Harris: *“Ad-sponsored piracy has a debilitating effect on both growth of the legitimate online market and the livelihoods of creators. In 2013, it seems somewhat amazing that advertising from major corporations is still being served to unlicensed music services - especially when, in theory, creative and tech businesses could pragmatically and constructively tackle the practice. MusicTank is delighted to announce such expert speakers as David and Theo to discuss this contentious issue and we look forward to a constructive and informative debate.”*

Event Details

Date: May 28th 2013

Time: 6:30pm to 9:00pm

Speakers

David Lowery - singer/songwriter with Cracker and Camper Van Beethoven, and writer for The Trichordist

Theo Bertram - UK policy manager for Google - formerly Special Adviser to the Prime Minister for both Tony Blair and Gordon Brown and Head of the Research and Information Unit at 10 Downing Street.

More speakers to be confirmed.

The panel will be moderated by MusicTank Associate Director Sam Shemtob

Venue

Fyvie Hall, University of Westminster, 309 Regent Street, W1B 2UW

Prices

Members: £25.00

Standard: £35.00 Student Member: £20.00

<http://www.musictank.co.uk/events/bigtech>



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For better or worse, relations with “Big Tech” have defined the health of the music industry for more than a decade. And, for all the positives of online distribution, it has been a relationship personified by ideological differences, fractious lobbying and legal actions.

Even as significant commercial strides have been made to develop a licensed digital market, it has been against this polarised backdrop: from one side, bemoaning antiquated licensing practices and the barriers of copyright law to “innovation”; and from the other, fear of technology giants playing fast and loose with IP, commoditising creativity and fueling mass infringement.

Such viewpoints, the positive and negative, were neatly summarised by Beggars Group chairman Martin Mills, when accepting Billboard’s Industry Icon Award at this year’s Midem. *“Technology companies should be the partners of rights companies, not their masters,”* stated Mills. *“And we value them enormously as such, our partnerships with them are fundamental to our business now - as is our content to theirs.”*

The value of these partnerships can also be evidenced in the wider industry - with growing revenues being generated from services like YouTube, the likes of Amazon, Netflix and Google all investing in original content, and cooperation on infrastructure projects like the Global Repertoire Database.

Even debates on of how to tackle infringement - for so long restricted to DMCA takedowns, ‘graduated response’ legislation and other blunt whack-a-mole instruments - have shifted somewhat, with a growing focus on the role of advertising in bankrolling unlicensed services.

Arguably, the key voice in this debate has been David Lowery - singer and songwriter in acclaimed US bands Cracker and Camper Van Beethoven, and latterly lecturer at the University of Georgia. Lowery’s writings on The Trichordist blog, campaigning for an ‘Ethical Internet’, and relentless naming and shaming of corporations found to be advertising on one-click services and P2P networks, has shifted this issue centre stage.

The type of piracy highlighted by Lowery and other Trichordist writers is not some romantic fantasy of rebellious teenagers sharing music and sticking it to the man; it is brand-sponsored – with advertisements for major blue chip FTSE and Fortune 500 corporations being served systematically to the most nefarious corners of the Web on an industrial scale - keeping the likes of MP3Ape and 4Shared in business, while diverting much-needed revenues from the pockets of creators.

In his own words, the best approach to tackling this problem is to stop the flow of advertising dollars. *“You’re never going to shut down the cyber locker sites altogether,”* he has stated, *“so let’s make it hard for them to make money. It’s low-hanging fruit.”*



Ironically, many tech companies, while attempting to stave off “unworkable” anti-piracy legislation, appear to be prescribing a very similar remedy. While lobbying against SOPA, Google argued that the pragmatic approach to tackling piracy was to stem sources of funding for rogue sites. “*If you cut off the money flow, you cut the incentive to steal,*” ran the search giant’s official statement.

It was a point reiterated by Theo Bertram, Google’s UK policy manager when speaking to BBC’s Newsnight in July 2012. “*It’s not for Google to go around the web, judging what is or isn’t legal and I don’t think people would want us to,*” Bertram told Rory Cellan-Jones. “*Our research shows however much you do on filtering or blocking, what is much more effective is to go after the money – to remove the financial underpinnings, the advertising, the payment processes... You can be pro-freedom of expression and anti-piracy – that’s true of Google, the tech industry as a whole - the responsible players - and the music industry.*”

On May 28th, MusicTank will explore this subject in some detail, considering whether it might be possible to throttle brand-sponsored piracy, even if the appetite to do so exists.

The session will also examine the wider relationships between music and Big Tech and ask whether we are approaching a tipping point, away from the adversarial lobbying that typified the last decade, and towards a future based on more fruitful commercial partnerships.

We are delighted to announce that David Lowery and Theo Bertram will both be key speakers at this event.

About MusicTank

Established in 2003 MusicTank is a unique, neutral information hub for UK music business...addressing change and innovation through informed debate, objective analysis and industry engagement. Owned and operated by University of Westminster, its content-rich website – www.musictank.co.uk – contains a wealth of industry information and resources, together with event transcripts and podcasts, news, reports and research papers. Visitors to the site can sign up to a free monthly e-mail newsletter, and for a small annual subscription become members, giving access to premium content.

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