

Annex II - Gestdem 2017/4050

List of documents

8. Mission report, Mission Silicon Valley USA 19-23 June 2017 (Ref. Ares(2017)4594818)



EUROPEAN COMMISSION

Directorate-General for Communications Networks, Content and Technology

Digital Single Market

F.2 E-commerce & Platforms

MISSION SILICON VALLEY, USA

19 - 23 JUNE 2017

MISSION REPORT

AUDIBLE MAGIC

Personal Data

Participant: [REDACTED]

- Audible Magic is a 17 years old company concentrating on automatic recognition of sound (soundtrack) on music, film and television. They are currently working on video identification. They experiment with other types of inappropriate content (hate speech, etc).
- Rights holders have to make the effort to identify the content (register their works). They don't pay anything.
- Their clients are the platforms. Pay based on volume/number of files. [REDACTED]
[REDACTED]
[REDACTED]
- Takedown notices are very expensive to deal with and offer a poor user experience. AM reduces costs for rights holders because it reduces the number of notices. AM maintains good relations with the rights holders.
- AM consider that it is better to use a third party technology than developing its own one: technology evolves and requires constant update: plus, it provides with "the arms' length" for platforms (keep distant from the blocking decision).
- AM does not consider itself liable.
- Who decides about fair use? An automated system informs the uploader and allows to challenge the decision. It changes the burden of proof, as the user has to demonstrate that the content is covered by fair use.
- The SCOTUS decision not to revise the Lenz case helps maintaining an automatic system with simply a "subjective belief" that the content is not covered by fair use. It is clear that computers cannot identify fair use. However, there is only a very limited number of fair use cases.
- Question: how to keep regulation innovation-friendly, that allows small platforms to grow? Technology can keep costs down. But if there is always a need to have a human in the loop, it is not possible to save resources.
- Among AM clients there are not only well-know platforms, [REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED].
- AM is the biggest company in the market, but there are others, like Bmat (Spain).
- The number of identifications in AM is 100 times higher than web crawlers.
- AM is analyzing license possibilities to allow small platforms monetize content. The copyright directive can incentivize the business model. At the same time, without Art 13 there would still be a need for monetisation agreement. This licensing system will be developed in 1Q 2018 for a surcharge.
- UGC has doubled in the last 2 years.

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