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**Music, Movie, TV and Broadband Leaders
Team to Curb Online Content Theft
*Announce Common Framework for “Copyright Alerts”***

*NEW TOOLS TO EDUCATE CONSUMERS, PARENTS AND REDUCE ONLINE
CONTENT THEFT*

(WASHINGTON) – Leaders from the movie, television, music and Internet service provider communities today announced a landmark agreement on a common framework for “Copyright Alerts” – a state-of-the-art system similar to credit card fraud alerts – that will educate and notify Internet subscribers when their Internet service accounts possibly are being misused for online content theft. This voluntary landmark collaboration will educate subscribers about content theft on their Internet accounts, benefiting consumers and copyright holders alike.

Every year, content theft costs the U.S. economy more than 373,000 jobs, \$16 billion in lost earnings, and \$3 billion in lost federal, state and local government tax revenue.

Today, many Internet Service Providers (ISPs) forward to subscribers notifications that they receive from content owners about alleged content theft – generally by email. Until now, however, there has been no common framework of “best practices” to effectively alert subscribers, protect copyrighted content and promote access to legal online content.

The *Copyright Alert System* is based on a consumer’s “right to know” when his or her Internet account may have been used improperly to download copyrighted content. Often, subscribers – particularly parents or caregivers – are not aware that their Internet accounts are being used for online content theft. Other subscribers may be unaware that downloading copyrighted content from illicit sources is illegal and violates their ISP’s Terms of Service or other published policies. Data suggest that, once informed about the alleged content theft and its possible consequences, most Internet subscribers will quickly take steps to ensure that the theft doesn’t happen again.

The new *Copyright Alert System* addresses these problems with a series of early alerts -- up to six -- in electronic form, notifying the subscriber that his or her account may have been misused for online content theft of film, TV shows or music. It will also put in place a system of “mitigation measures” intended to stop online content theft on

those accounts that appear persistently to fail to respond to repeated Copyright Alerts. The system will also provide subscribers the opportunity for an independent review to determine whether a consumer's online activity in question is lawful or if their account was identified in error. There are no new laws or regulations established as a part of this voluntary agreement. Termination of a subscriber's account is not part of this agreement. ISPs will not provide their subscribers' names to rights' holders under this agreement.

The agreement also establishes a *Center for Copyright Information* to support implementation of the system and educate consumers about the importance of copyright.

The parties are very grateful to Governor Andrew Cuomo for his deep involvement and personal efforts, as Attorney General of the State of New York, to bring the parties together and successfully launch the negotiations that have now led to the creation of the *Copyright Alert System*.

“This groundbreaking agreement ushers in a new day and a fresh approach to addressing the digital theft of copyrighted works,” said Cary Sherman, President of the Recording Industry Association of America (RIAA). “We hope that it signals a new era in which all of us in the technology and entertainment value chain work collaboratively to make the Internet a more safe and legal experience for users. It is a significant step forward not only for the creative community, which invests in and brings great entertainment to the public, but for consumers and the legitimate online marketplace as well.”

“Consumers have a right to know if their broadband account is being used for illegal online content theft, or if their own online activity infringes on copyright rules – inadvertently or otherwise – so that they can correct that activity,” said James Assey, Executive Vice President of the National Cable & Telecommunications Association (NCTA), which worked in an advisory capacity with ISPs to help complete the agreement. “We are confident that, once informed that content theft is taking place on their accounts, the great majority of broadband subscribers will take steps to stop it. That’s why the educational nature of this initiative is so critical.”

“Many people don’t realize that content theft puts jobs – and future productions of films, TV shows, music, and other content – at risk,” said Michael O’Leary, Executive Vice President for Government Relations at the Motion Picture Association of America, Inc. (MPAA). “Today, there are more ways to enjoy content legitimately online than ever before. This agreement will help direct consumers to legal platforms rather than illicit sites, which often funnel profits to criminals rather than the artists and technicians whose hard work makes movies, television, and music possible.”

“This is a sensible approach to the problem of online-content theft and, importantly, one that respects the privacy and rights of our subscribers,” said Randal S. Milch, Executive Vice President and General Counsel of Verizon. “This broad industry effort builds on existing agreements with several copyright owners to forward their notices of alleged infringement to ISP subscribers. We hope that effort – designed to

notify and educate customers, not to penalize them – will set a reasonable standard for both copyright owners and ISPs to follow, while informing customers about copyright laws and encouraging them to get content from the many legal sources that exist.”

Jean Prewitt, President & CEO of the Independent Film & Television Alliance (IFTA), noted, “frequently, independent producers and distributors are hit the hardest by content theft. This agreement is a textbook example of the private sector working cooperatively to help solve a glaring economic problem while protecting consumers.”

Rich Bengloff, President of American Association of Independent Music (A2IM) called it an "historic agreement that will reduce the financial distress being experienced by our independent music label community so that our members and their artists can continue to create and invest in the music they love and, in doing so, help protect thousands of musical artists and their musical compositions, across the United States."

Both the Center for Copyright Information and the Copyright Alert System are voluntary collaborations between the entertainment and broadband business communities. Participating ISPs will begin implementing Copyright Alerts in 2011 and 2012.

The companies and associations collaborating on the framework include:

- **MPAA and MPAA members:** Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc.
- **RIAA and RIAA members:** Universal Music Group Recordings, Sony Music Entertainment, Warner Music Group, and EMI Music North America.
- **ISPs:** AT&T, Cablevision Systems Corp., Comcast Corp., Time Warner Cable, and Verizon.
- **IFTA:** representing the Independent Producers & Distributors of Film & Television Programming.
- **A2IM:** representing their 283 music label members, small and medium sized businesses located across the United States representing many different musical genres reflective of the cultural diversity of our country.

Additional materials will be available at www.copyrightinformation.org. Individual interviews are available.