

CONTENT & TECHNOLOGY POLICY REPORT APRIL 20, 2018

I. Congressional Updates:

- The House Judiciary Subcommittee on Courts, Intellectual Property, and the Internet held a hearing on Tuesday to discuss how well the Defend Trade Secrets Act of 2016 (DSTA) has protected U.S. companies from trade secret theft. Members from both sides of the aisle joined the panel in praising DSTA for providing trade secret owners with new tools to combat and remedy proprietary data theft. However, each witness testified that a loophole in 28 U.S.C. §1782 needs to be closed to enhance DSTA's effectiveness.
- On Wednesday, Reps. Collins (R-GA) and Chu (D-CA) published an op-ed in *Variety* on the Music Modernization Act, legislation that would update how music rates are set and how songwriters and artists are paid. In the op-ed, Chua and Collins outline exactly how the MMA would help members of the music community. "The simple theme of these reforms is fairness: Songwriters deserver the opportunity to obtain fair rates for the use of their music works, and music providers should be able to compensate creators with transparency in a way that makes sense for the 21st century" Read more here.
- On Tuesday, House Ways and Means Committee Ranking Member Richard Neal (D-MA) and Trade Subcommittee Ranking Member Bill Pascrell (D-NJ) led a letter to Chairman Kevin Brady (R-TX) from all 16 Democrats on the Committee demanding a hearing with the Trump Administration on NAFTA. "More than 25 years ago, during the original NAFTA negotiations, this Committee brought forward United States Trade Representatives, Secretaries of Labor, and Administrators

Headlines and Highlights:

- Ways and Means Democrats send letter to Chairman Brady asking for NAFTA hearings.
- DGA, SAG-AFTRA and IATSE leaders send letter to Senate Commerce, Judiciary on examining "broader internet regulations."
- House Judiciary Chairman Goodlatte announces mark-up of Music Modernization Act on week of April 9th.

In the Blogs:

<u>Blurred Lines in More Ways Than</u> <u>One – Part 1</u> Illusion of More April 19 by David Newhoff

<u>Vietnam and 123Movies: Whatever</u> <u>the Reasons for the Shut-down, It's a</u> <u>Major Step Forward</u> Hugh Stephens Blog April 16 by Hugh Stephens

Inside Views: Interview With Dominik Thor, Founder Of IPCHAIN Database IP Watch April 20 by IP Watch of the Environmental Protection Agency to testify multiple times," wrote the members. "Yet the Ways and Means Committee has not, to date, convened a single hearing dedicated to the renegotiation of NAFTA with Administration witnesses." Read the entire letter <u>here</u>.

- On Thursday, April 26th the House Judiciary Committee will hold a hearing on "Examining Social Media Filtering Practices and their Effect on Free Speech." Representatives from Facebook, Google and Twitter have been invited to testify and the hearing will also feature remarks from Corynne McSherry, Legal Director for the Electronic Frontier Foundation and David Chavern, CEO of the News Media Alliance.
- On Wednesday, April 25th the Senate Commerce Committee will <u>vote</u> on the nomination of Rebecca Slaughter to be a Federal Trade Commissioner.

II. Judicial Updates:

• This week, NBA player LeBron James and his multimedia platform, Uninterrupted, sent a notice of copyright infringement to the University of Alabama, alleging that their show *Shop Talk* too closely resembles James' web video series, *The Shop*. Both programs take place in a barber shop and feature interviews. "Your continued exploitation of *Shop Talk* infringes 'Uninterrupted's' copyright, trademark rights and other valuable intellectual property rights in *The Shop* and significantly damages 'Uninterrupted's' commercial prospects for *The Shop*," the letter said. The letter added that both parties should converse before "rushing into legal action." Read more <u>here</u>.

III. Administration Updates:

• Amid reports that Congress would wait until a lame-duck session of Congress to vote on a renegotiated NAFTA deal, United States Trade Representative (USTR) Lighthizer is reportedly considering withdrawing from the existing pact even before the new one is ready. In doing so, the Trump Administration thus would force Congress' hand to vote on the new deal or face not having an agreement with the U.S.' two largest trading partners. Read more here.

IV. International Updates:

• On Thursday, at the International Monetary Fund's (IMF) spring meetings, IMF Managing Director Christine Lagarde urged countries to work out their differences over trade and take advantage of a healthy economy. "The near term prospect for the global economy appears to be bright," Lagarde said. Read more <u>here</u>.

V. Industry Updates:

• This week, Stephen Moore, a co-founder of the Committee to Unleash Prosperity and a senior fellow at the Heritage Foundation, wrote an op-ed on the importance of the Trump Administration to complete the NAFTA renegotiation and ensure it protects IP. "IP-intensive industries—music, entertainment, software and biotechnology among them—support 45 million jobs, nearly a third of U.S. employment, and produce more than \$7 trillion of value-added output," Moore writes. "We know that the US loses about one half trillion a year of income from theft of our IP products abroad. Most of that is in China, but it's a problem with Mexico and Canada too." Read more <u>here</u>.

- This week, the leaders of the Directors Guild of America (DGA), SAG-AFTRA and IATSE sent a joint letter to the Senate Judiciary and Commerce committees to look at the "broader context" of Internet regulations when they examine the Facebook data breach. "Originally meant to drive innovation, the early ground rules governing the internet were deliberately lax to encourage the experimentation deemed necessary for the growth of what was then a fledgling medium," the union leaders wrote. "The ramifications have long been an unfortunate reality for our industry film and television which relies so heavily on strong copyright protections. We must delve into frank discussions about unintended consequences, and how they can be addressed. Our future depends on it." Read more here.
- On Thursday, a group of academic publishers reached an agreement with Researchgate, an online collaboration platform that has been called "Facebook for scientists", to resolve a copyright dispute. Publishers Springer Nature, Cambridge University Press, and Thieme agreed to work with Researchgate to share articles while protecting the rights of authors and publishers. "This agreement will allow us to maintain the version of record and importantly, given our responsibility to our authors and customers, track and report on how our content is being used," Springer Nature's Chief Publishing Officer Stephen Inchcoombe said in a joint statement. Read more <u>here</u>.