

CONTENT & TECHNOLOGY POLICY REPORT JULY 20, 2018

I. Congressional Updates:

- This week, the Senate Finance Committee hired Nasim Fussell, former trade counsel on the House Ways and Means Committee, as the majority deputy chief international trade counsel. Fussell most recently served as director of government and regulatory affairs at Pitney Bowes from 2016 to 2018. Read more here.
- On Wednesday, July 25th at 11 a.m. the House Administration Committee will hold a hearing on the "Library of Congress Strategic Plan (Part II)" More info here.
- On Thursday, July 26th at 9:45 a.m. the Senate Appropriations Subcommittee on Commerce, Justice and Science, and Related Agencies will hold a hearing on the "U.S. Trade Representative Budget."
- On Tuesday, the House Committee on the Judiciary held a hearing entitled, "Social Media Content Filtering Practices." The hearing featured Ms. Monika Bickert, Head of Global Policy Management, Facebook; Ms. Juniper Downs, Global Head of Public Policy and Government Relations, YouTube; Mr. Nick Pickles, Senior Strategist, Public Policy, Twitter. In his opening statement, Chairman Goodlatte (R-VA) said that online platforms are free to moderate their content as they see fit due to Congress exempting them from liability in the 1990's. "But the internet of today is almost nothing like the Internet of 1996," Goodlatte remarked. "Today, we see that the most successful ideas have blossomed into some of the largest companies on Earth. These companies dominate their markets, and perhaps rightfully so given the quality of their products. However, this begs another

Headlines and Highlights:

- House Administration Committee to hold hearing on "Library of Congress Strategic Plan (Part II)."
- House Judiciary Committee holds hearing on content filtering on social media sites, Chairman Goodlatte questions lack of platform liability.
- USTR Lighthizer set to meet with Mexican counterpart next week on NAFTA.
- TPP-11 countries agreed to start accession talks with potential new countries.

In the Blogs:

Copyright Found After Brief Search Illusion of More July 15 by David Newhoff

India Joins WIPO Internet Treaties:

A Major Step Forward

Hugh Stephens Blog

July 16 by Hugh Stephens

Deadline Looms For Comments On New Clauses In South African Copyright Amendment Bill IP Watch July 13 by Linda Daniels question—are these companies using their market power to push the envelope on filtering decisions to favor the content the companies prefer?" Watch the hearing here.

• On Tuesday, the House Energy and Commerce Subcommittee on Digital Commerce and Consumer Protection held a hearing entitled "Oversight of the Federal Trade Commission (FTC) 2018". The purpose of the hearing, led by Subcommittee Chairman Bob Latta (R-OH-05) and Ranking Member Jan Schakowsky (D-IL-09), was to examine the effectiveness of the FTC's policy and enforcement practices in the modern economy. The hearing covered a broad range of topics but focused primarily on consumer data protection and competition. Members of the Committee were particularly concerned with how economic digitalization is impacting the FTC's work on consumer and competition issues. The Committee raised concerns about Facebook and Cambridge Analytica but FTC Chairman Joseph Simons and the commissioners were unable to comment on the specific details because there is an ongoing investigation into the matter. Chairman Simons urged Congress to enact legislation that will grant the FTC broader authority and enforcement powers to protect consumer's data. In addition, Chairman Simons provided insights into the Commission's upcoming hearings this fall where the commissioners will examine where the FTC can modernize its policy with respect to merger enforcement and data security.

II. Judicial Updates:

• Yesterday *Bloomberg* reported that <u>Novartis AG sued "about two dozen generic-drug makers" for infringing a patent on its best-selling multiple sclerosis drug Gilenya</u>. Novartis to seek to prevent the sale of generic versions until the patent's expiration in 2027. (*IPO Daily News*)

III. Administration Updates:

- On Wednesday, President Trump said that the U.S. may complete a trade deal with Mexico, and then do a separate one with Canada later, stoking fears about the future of NAFTA. "We have had very good sessions with Mexico and with the new president of Mexico, who won overwhelmingly, and we're doing very well on our trade agreement," Trump said to reporters. "So we'll see what happens. We may do a deal separately with Mexico and we'll negotiate with Canada at a later time. But we're having very good discussions with Mexico." Read more here.
- United States Trade Representative (USTR) Robert Lighthizer will meet with Mexico's Economy Minister on July 26th in Washington, D.C. to address NAFTA sticking points after officials from both countries agreed to step up negotiations and reach a preliminary deal by late August. Read more here.

IV. International Updates:

• This week, the European Union hit Google with a \$5 billion antitrust fine for abusing the dominance of its Android mobile operating system. Specifically, EU officials asserted Google has unfairly favored its own services by forcing smartphone makers to pre-install Google apps Chrome and Search in a bundle with its app store, Play. Google said in a statement that it would appeal the ruling. Read more here.

• U.K. Trade Secretary Liam Fox said in a speech on Wednesday that the United Kingdom is beginning public consultations on negotiating free trade agreements with the U.S., Australia and New Zealand, as well as potentially joining the Trans-Pacific Partnership (TPP). Read the speech here.

V. Industry Updates:

- On Thursday, *The New York Times* published a profile of Rep. Hakeem Jeffries (D-NY-8) in which it argues Rep. Joe Crowley's (D-NY-14) recent primary loss could be good news for the Brooklyn Democrat. "Jeffries," the *NY Times* states, "is likely to try to replace Mr. Crowley as the chairman of the House Democratic Caucus, the fourth-ranking position in the party's hierarchy." Rep. Jeffries—a member of the House Judiciary Subcommittee on Courts, Intellectual Property and the Internet—has been a staunch supporter of strengthening IP protections during his time in Congress. He has introduced the Copyright Alternative in Small-Claims Enforcement Act of 2017, legislation that would create a dispute resolution program for copyright small claims. He also cosponsored the Music Modernization Act, legislation to modernize music copyright law. Read more here.
- On Thursday, chief negotiators from the 11 signatories to the Trans-Pacific Partnership (TPP) agreed to start accession talks with potential new member countries in 2019. Thailand, Indonesia, Colombia, South Korea and Taiwan are seen as willing to join the revised TPP. Read more here.