

CONTENT & TECHNOLOGY POLICY REPORT JUNE 15, 2018

I. Congressional Updates:

- This week, POLITICO reported that the House Judiciary Committee has summoned CEOs from leading social media companies for a June 26th hearing. Read more here.
- On Tuesday, the Senate Appropriations Subcommittee on Commerce, Justice, Science and Related Agencies (CJS), approved the FY2019 funding bill. The bill includes \$3.37 billion for the United States Patent and Trademark Office (USPTO) as well as \$499 million for the International Trade Administration, a \$4 million increase above the FY2018 enacted levels. Read more here.
- On Tuesday, the Senate Finance Committee held a hearing to consider the nominations of Jeffrey Kessler to be Assistant Secretary of Commerce and Randolph Stayin and Amy Karpel to be members of the International Trade Commission. During his opening statement, Chairman Hatch emphasized the importance of strong intellectual property protections in combatting unfair trade. Watch the hearing here.
- On Wednesday, June 20th the Senate Finance Committee will hold a hearing on the Trump administration's plan to impose tariffs on steel and aluminum among U.S. allies. The hearing will feature Secretary of Commerce Wilbur Ross. Read more here.
- Last Friday, Facebook submitted their responses to the questions for the record from CEO Mark Zuckerberg's hearing in April. In a response to a question from Sen. Whitehouse on what Facebook is doing to prevent intellectual property theft, Facebook wrote that they "work closely with the motion picture industries and other

Headlines and Highlights:

- SAG-AFTRA, Recording Academy, and others send letter to Senate urging support for MMA and voicing opposition to ACCESS Act.
- Antitrust Division Head gives speech at NMPA meeting on consent decrees and MMA.
- European Parliament to vote on Copyright Directive next week.
- SiriusXM agrees to pay SoundExchange \$150 million to settle lawsuit.

In the Blogs:

Don't Mourn for the Memes Just Yet Illusion of More June 12 by David Newhoff

Copyright Developments Down
Under: There's a Lot Going On
Hugh Stephens Blog
June 12 by Hugh Stephens

EU Files WTO Case Against China
Over IP Rights Protection
IP Watch
June 6 by William New

rights holders" to protect copyrights and other IP. "These include a global notice-and-takedown program, a comprehensive repeat infringer policy integration with the content recognition service Audible Magic, and our proprietary video- and audio-matching technology called Rights Manager." Read more here.

II. Judicial Updates:

• This week, SiriusXM agreed to pay \$150 million to SoundExchange Inc. to settle two lawsuits alleging SiriusXM underpaid performance royalties. "We are happy to resolve this case with SiriusXM," said SoundExchange president and CEO Michael Huppe in a statement. "The settlement allows us to distribute additional royalties to SoundExchange's artists and rights owners while avoiding additional costly litigation." Read more here.

III. Administration Updates:

- This week, United States Trade Representative (USTR) Robert Lighthizer and Secretary of
 Commerce Wilbur Ross met with Indian Commerce and Industry Minister Suresh Prabhu
 and agreed to hold official-level comprehensive talks to address trade and economic issues.
 "We will now work together to expand bilateral trade," Prabhu told reporters in
 Washington at the end of his official trip. Read more here.
- On Wednesday, at the annual National Music Publishers Association (NMPA) meeting, U.S. Assistant Attorney General for the Antitrust Division Makan Delrahim gave a keynote speech. Delrahim's speech touched on the future of the 75-year old consent decrees that govern ASCAP and BMI, saying that the DOJ recognizes "the industry has grown up around [the decrees], and we should not take any action lightly or without due care and consideration." "To be clear, the Antitrust Division has not reached any conclusion about whether the ASCAP and BMI decrees strike the best balance among competition, innovation, and regulation. Congress, moreover, is also paying proper attention to the industry. It is taking a hard look at the Music Modernization Act, and we look forward to seeing that legislation enacted and the results of those changes, which have involved several years of process and input from various interested parties." Read more here.

IV. International Updates:

• Next Wednesday, the European Parliament will vote on the European Commission's update of the <u>Copyright Directive</u>, which aims to modernize the EU's copyright rules to handle problems in the digital world.

V. Industry Updates:

- On June 21st, Fareplay will host a half-day event titled "The Forum on Internet Governance", an educational conference created to "provide greater understanding of the scope and severity of the current problems associated with the internet and explore solutions." Author Jonathan Taplin will be the keynote speaker and the event will feature panels on safe harbors and the internet's impact on the creative eco-system. Read more here.
- On June 21st the Washington International Trade Association will host a discussion titled "Two Big Trade Issues, One Big Event: NAFTA & China." The discussion will feature

- panelists from Global Automakers, Council of the Americas, U.S. Chamber of Commerce, and the American Enterprise Institute. More info here.
- Last week, Charles Rivkin, Chairman and CEO of the Motion Picture Association of America (MPAA), was interviewed by *Marketplace* on MPAA's work to fight piracy and promote access to foreign markets for Hollywood films. Read more here.
- On Wednesday, seven groups, including SAG-AFTRA, Recording Academy, and the Content Creators Coalition, sent a letter to the U.S. Senate urging them to support the Music Modernization Act and the CLASSICS Act while voicing their opposition to Sen. Wyden's ACCESS to Sound Recordings Act. "We are disappointed that the introduction of the 'ACCESS Act' was done without consulting any artist group, organization, or union" the groups wrote, adding that it "would undercut the goals of the MMA [Music Modernization Act] by cutting compensation for the older artists that it is expressly designed to benefit." Read more here.