

CONTENT & TECHNOLOGY POLICY REPORT OCTOBER 14, 2016

I. Congressional Updates:

- Senator Patrick Toomey (R-PA) recently indicated that he is open to reconsidering his stance against the TPP. The Senator made the remarks during an editorial board interview with the Philadelphia Inquirer, according to a tweet from Inquirer journalist Jonathan Tamari. Tamari reports that Toomey said the US "got rolled" in the TPP in the areas of farming and pharmaceuticals, but mentioned he could reconsider his stance if issues that affect Pennsylvania are addressed.
- On Tuesday, Sens. Wicker (R-MS), Schatz (D-HI), and Gardner (R-CO) were featured members of a panel at the Internet Association's annual conference. When asked what a Clinton or Trump presidency would mean for tech, Sen. Wicker, who leads the chamber's telecom subcommittee as well as the GOP's Senate campaign arm, bemoaned the "politicization of the FCC in recent years" while indicating that the FCC under Clinton "will look a lot like the [agency] has over the past four to six years." Trump, Wicker said, "would appoint commissioners on the FCC, and also across the board, who bring a light touch of regulation than we've seen, and basically allow innovation to continue to prosper..." Conversely, Sen. Schatz said that a Clinton presidency would be good for tech given her history of "working the details" on a range of issues. Schatz also took the opportunity to underline the need for increased industry engagement in congressional action, citing the recent fight over ICANN—which, Schatz claims, many members did not entirely understand.
- House Speaker Paul Ryan (R-WI) said in a radio interview last weekend that the TPP will not be brought

Headlines and Highlights:

- Sens. Wicker, Schatz, and Gardner discuss tech issues at Internet Association's annual conference.
- Sec. of Commerce Pritzker announces Commerce Dept. will double the number of global markets serviced by its Digital Attaché program.
- Ohio Gov. Kasich pens op-ed on importance of TPP in *The Washington Post*.
- McDonald's Corp. facing number of copyright lawsuits from graffiti artists.

In the Blogs:

Backpage Execs Arrested Because Pimping Isn't Speech Illusion of More October 21 by David Newhoff

<u>The Great Scoop: Feeding Google's</u> AI Machine

Hugh Stephens Blog October 12 by Hugh Stephens

WIPO General Assembly Agrees on Two New WIPO Offices; No Deal on Design Treaty

Intellectual Property Watch October 12 by Catherine Saez up during the lame duck session. "Even if we wanted to—which I think [Obama's] got to fix this deal, there's real problems with it—we don't have the votes," Ryan said to conservative talk show host Laura Ingraham.

II. Judicial Updates:

- The Wall Street Journal is reporting this week on a spate of copyright lawsuits McDonald's Corp. is currently facing from graffiti artists after the fast-food company introduced graffiti-themed décor to its restaurants across its European market. One such lawsuit, filed last week in Los Angeles federal court by Jade Berreau—administrator of the estate of the late rebel artist Dash Snow—accuses McDonald's of painting him as a corporate sellout after using replica images of SACE—the tag, or signature, used by Mr. Snow. "Nothing is more antithetical to Mr. Snow's outside 'street cred," the complaint reads, "than the association with corporate consumerism—of which McDonald's and its marketing are the epitome." Read more here.
- On Tuesday, the U.S. District Court for the District of Nevada ordered software company Rimini Street to pay oracle another \$74 million in a copyright and licensing dispute. Oracle originally sued Rimini in January 2010, accusing the company of illegally downloading Oracle's software while serving as software support for Oracle's PeopleSoft, JD Edwards, and Siebel products. The trial ended in September 2015 after a jury awarded Oracle \$50 million for "innocent" copyright infringement. Rimini said in a statement that it "believes it has strong bases for its appeal, which is likely to continue for several more years before a final outcome." Read more here.

III. Administration Updates:

• On Thursday, White House Chief of Staff Dennis McDonough urged students to consider working on technology for the federal government. McDonough, speaking at the White House Frontiers Conference in Pittsburgh, touted the Obama administration's work in creating the U.S. Digital Service, calling it "a shameless pitch to students. "You should come serve Uncle Sam because your role in shaping this technology is endless," he said. "We need you. The next president needs you, no matter who that is."

IV. International Updates:

- A prominent UK copyright infringer, known for uploading Top 40 singles to the
 Pirate Bay every week, pleaded guilty last week to two counts of distributing articles
 infringing copyright and one count of possessing or controlling an article for use in
 fraud. Wayne Evans, known online as OldSkoolScouse, was also accused of
 operating a site offering acapella versions of hit songs. Read more here.
- This week, POLITICO Europe reported that more than four-fifths of its Copyright Caucus—which includes representatives from media and technology companies, academics and politicians—criticized the European Commission's recent proposed copyright reforms, describing them as "unfit for the 21st century." Read more here.

V. Industry Updates:

- On Wednesday, Secretary of Commerce Penny Pritzker announced that the Commerce Department will double the number of global markets serviced by its Digital Attaché program. The program places 'Attachés' as "dedicated resources for U.S. businesses as they seek to increase exports through global E-commerce channels and navigate digital policy and regulatory issues in foreign markets." The program currently covers the Association of Southeast Asian Nations, Brazil, China, the European Union, India, and Japan. Read more here.
- On Wednesday, Ohio Gov. John Kasich wrote an op-ed in *The Washington Post* declaring that Congress' upcoming decision on the TPP "will affect the course of the United States' security, prosperity and global influence for the rest of the 21st century and determine whether we advance or retreat from our leadership at a time of worldwide turmoil and uncertainty." Read more here.
- In its annual letter to the U.S. Trade Representative (USTR) this year, the Motion Picture Association of America (MPAA) has argued that the security and content delivery network (CDN) provider Cloudflare and several foreign hosting companies are refusing "to take action upon being notified that their hosting services are being used in clear violation of their own terms of service prohibiting intellectual property infringement." Read more here
- Prominent startup incubator Techstars is launching a new music program. The program is seeking out "Spotify's successor," in particular music startups that are working to solve some sort of "interesting problem" that is ignored by large music companies. Applications for the program, which launches in February 2017, are now open. Read more here.