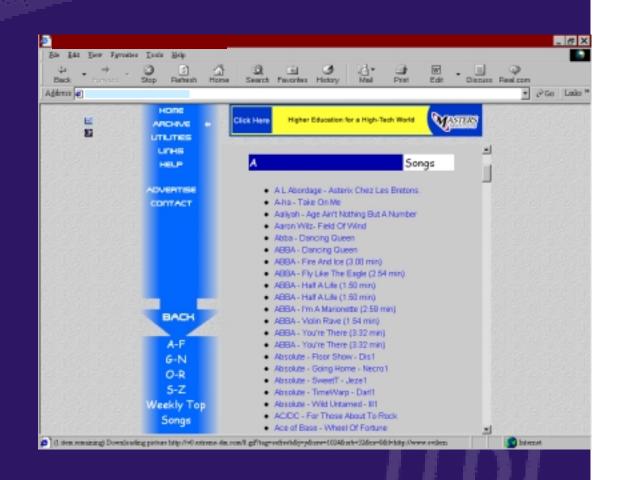


Dealing with a 100% pirate market

- Workable legal framework
- Will of the market players
- Will of the government
- Money and technology



A crucial time

- Business models under development
- Licensing more complex in the second comp
- Copyright applied in new ways
- Enforcement more crucial
- Legal inconsistencies dangerous
- Legal adventurism attempted
- Copyright foundations threatened

Reasons for optimism

- Many services already licensed
- New technical systems emerging
- Global licensing starting to work
- Legal system largely supportive
- Copyright's value recognized



Business and investment

■ Downloads

Secure subscription service

Simulcasting, webcasting

■ Other initiatives



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Technology developments

■ New formats

Encryption, technical protections

Watermarking, fingerprinting

Rights management information

Licensing

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Legal developments

- **WIPO Treaties**
- Copyright reform
- **■** Court cases



Threats to copyright

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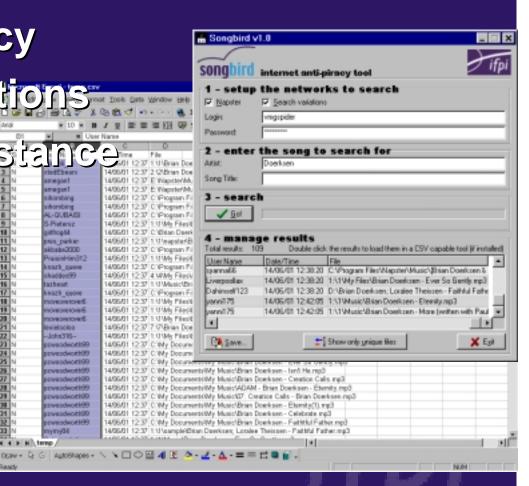
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■ Widespread piracy

Copyright exceptions

■ Well-funded resistance



Recommendations

- Ratify, implement the WIPO Treaties
- Protect technology from hacking
- Let rights owners experiment
- Ensure adequate enforcement rules
- Protect copyright as the engine of expression, culture and economic growth



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