

EUROPEAN COMMISSION
Information Society and Media Directorate-General
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Public Consultation on Content Online in the Single Market

**A response by Copyright Information and Anti-Piracy Centre (Finland)
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Background information

The Copyright Information and Anti-piracy Centre (CIAPC) was established in 1979 by the right owner groups to fight phonogram piracy. Nowadays CIAPC is a non-profit association, financed by its members and also by the Finnish Ministry of Education.

Members of CIAPC:

- The Finnish Film Distributors Association
- The Central Organization of Finnish Film Producers
- The Finnish Group of IFPI
- The Finnish Composers' Copyright Bureau Teosto
- Gramex, Copyright Society of Finnish Performing Artists and Phonogram Producers
- The Finnish Musicians' Union
- Kopiosto, Joint Copyright Organization
- FIGMA, Finnish Games and Multimedia Association
- Tuotos, Copyright association for audiovisual producers in Finland
- SATU, Association of Independent Producers in Finland
- MPA (Motion Picture Association)

Objectives

The objectives of the CIAPC can be divided into four main categories:

- centralized surveillance of the both physical market and the Internet
- supporting law enforcement and handling of actual infringement cases
- education on copyright
- preparation and distribution of information on copyright

Piracy situation in Finland 2005

Internet Piracy

Year 2005 was clearly a turning point in Finland, when it comes to Internet piracy. As a result of growing broadband penetration (6/2003 315 000 units and 12/2005 1 000 000 units), Internet piracy is blooming. CIAPC estimates that there are over 150 000 active P2P-users in Finland. Most popular p2p programs and protocols used are DirectConnect (DC) and BitTorrent.

As an expertise organization in piracy and copyright infringements, we would like to present following comments for the following questions:

3. Do you think the present environment (legal, technical, business, etc.) is conducive to developing trust in and take-up of new creative content services online? If not, what are your concerns: Insufficient reliability / security of the network? Insufficient speed of the networks? Fears for your privacy? Fears of a violation of protected content? Unreliable payment systems? Complicated price systems? Lack of interoperability between devices? Insufficient harmonisation in the Single Market? Etc.

Overall it has taken too long for the EU to implement the necessary legal frame for the legal and creative online markets. The slowness of the process can be seen in growing Internet piracy figures and at the same time struggling starts for the legal online markets. As a result of the slow progress there is also very anti-copyright climate in most of the Nordic countries. It seems, there is younger generation, which thinks all the content and creative material should be free for them to use and distribute. In this climate it is even more difficult for right holders to compete with the online pirates than what it is with the physical markets.

4. Do you think that adequate protection of public interests (privacy, access to information, etc) is ensured in the online environment? How are user rights taken into account in the country you live / operate in?

On the contrary one can sometimes say, that privacy issues hinder investigating of online piracy.

21. To what extent does your business model suffer from piracy (physical and/or online)? What kinds of action to curb piracy are taken in your sector/field of activity and in the country or countries you operate in? Do you consider unauthorised uploading and downloading to be equally damaging? Should a distinction be made as regards the fight against pirates between "small" and "big" ones?

Internet piracy is seriously hampering the development of legal online music, movie and game businesses. CIAPC estimates, that there are over 150,000 active file shares in Finland. As in Sweden the number of Direct Connect Hubs is extremely high over 750. These hubs are almost 100 % used to upload and download copyrighted content.

In a music market such as Finland, where over 50 % of the purchased music is local repertoire, this massive infringement is threatening the music sectors' ability to invest money and resources in new and interesting talent. The local diversity of music is in danger. Same can be said of the local movie producers.

Actions taken by the CIAPC to curb the piracy have mostly been criminal ones. Last year CIAPC filed over 100 criminal complaints and more than half of those were targeted to Internet piracy. At the moment the biggest shortage of curbing the problem, is the lack of quick, simple, efficient and at the same time educative and reasonable ways to stop the infringement. Creative content and services must get cooperation from other players on the online market; especially from Internet Service Providers (ISP). At the moment ISPs are making revenues from some of their customers' infringements. ISPs must take their share of responsibility in stopping infringements of the copyright protected content.

For example in Finland ISPs are not allowed to check the identity behind dynamic Internet Protocol (IP) numbers in case where right holders inform ISPs about an infringement done by one of their customer. Therefore they cannot act on rights holders' notices of claimed infringements. In most of the cases a simple notice from the right holder and passed by the ISP would probably stop the

infringement. Because of the lack of these reasonable ways to stop the infringement, right holders are forced to rely on criminal complaints or civil court applications for right of information from the ISP.

22. To what extent do education and awareness-raising campaigns concerning respect for copyright contribute to limiting piracy in the country or countries you operate in? Do you have specific proposals in this respect?

CIAPC has been involved in several educational and awareness-raising campaigns. The latest has been in co-operation with the Ministry of Education and Finnish National Board of Education an educational package to all junior highs in Finland. The package contains a comic book for students, an information booklet for teachers and webpage to support the material (www.piraattitehdas.fi).

For us it crystal clear, that the piracy problem cannot be solved without strong ongoing educational programs. There is a need to involve the younger generation of students (grades from 1 to 6) and also teachers. As the principles of copyright are much the same in the EU, there could easily be educative material, which could be used in most of the member countries.

23. Could peer-to-peer technologies be used in such a way that the owners of copyrighted material are adequately protected in your field of activity and in the country or countries you operate in? Does peer-to-peer file sharing (also of uncopyrighted material) reveal new business models? If so, please describe them?

Certainly this can be possible. Still one must one bear in mind that changing the landscape from unauthorized P2P services to legal ones does not happen without proper legal framework, protection for creative content and swift ways to stop unauthorized P2P services.

Yours sincerely,

Copyright Information and Anti-Piracy Centre

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