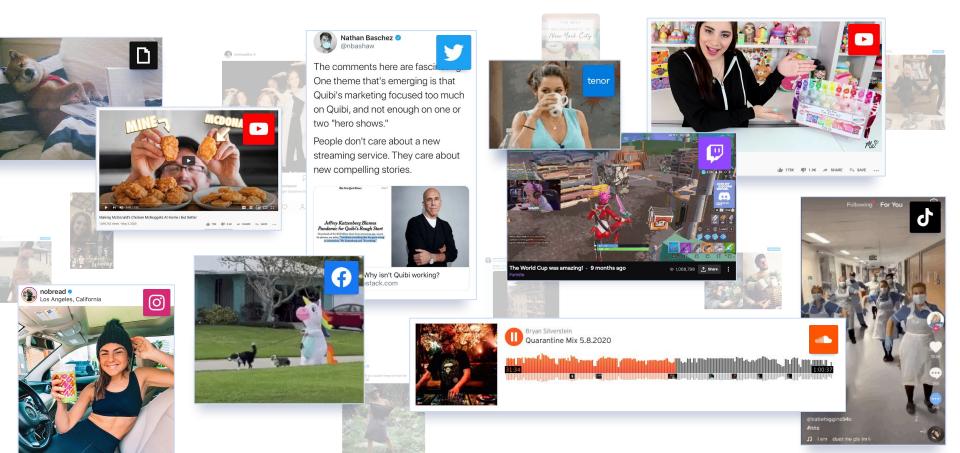


Down with the black box of unclaimed royalties: It's time to get creators paid

SXSW 2023

# User generated content (UGC) dominates our digital world



# The amount of content uploaded and consumed daily is overwhelming



864,000 hours (99 years) of video is being uploaded to YouTube each day 100M

100 million hours of Facebook videos are watched daily



TikTok has been downloaded more than 1 billion times, surpassing Instagram



Globally, video traffic will be 82% of all traffic by 2022, up from 75% in 2017

ΡΞX



YouTube



Facebook

6

Reddit





Instagram



SoundCloud



Dailymotion



Apple podcasts





TikTok



Audiomack













MM

My Mixtapez



Newsflare

smule

Smule













tenor

Liveleak



Mixcloud

Pear Video



Zhangi





Smashcast







And the majority of UGC contains copyrighted music

84%

more than 84% of videos on YouTube contain at least 10 seconds of music.

**58%** 

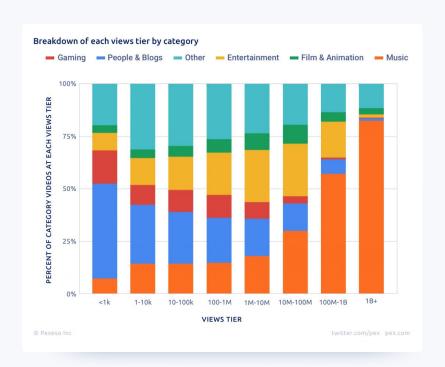
of videos on Instagram contain music

50%

nearly 50% of all videos on Facebook contain music

Youku

D=X



# Music adds value to digital content, and to the platforms that host it

On YouTube, music and entertainment videos bring the majority of the views, despite being only 15% of the platform's videos.

Music is becoming more valuable year-over-year, increasing its share of total views.

pex

# But as UGC revenues grow, EVERYONE is feeling the pain

Platforms don't know what's being uploaded to their sites, creators don't know what they can upload fairly, and rightsholders are just trying to get paid.



Peloton lawsuit: Music publishers sue fitness company for \$150 million

"There is no doubt that Peloton's infringement was and continues to be knowing and reckless. Peloton fully understood what the copyright law required..."

THE

#### NATIONAL LAW REVIEW

Cox Communications Found Liable to the Tune of \$1 Billion For Allowing Users to Illegally Share Music

The jury returned a \$1 billion damage award against Cox Communications who was accused of knowingly allowing subscribers to share and download infringing songs via peer-to-peer sharing platforms such as BitTorrent.



Roblox hit with \$200 million lawsuit for alleged music copyright infringement

In a keynote speech, NMPA President David Israelite said that Roblox, with 42 million daily active users, has "taken virtually no action" to prevent copyright infringement.

## **THE VERGE**

The music industry has taken another step toward a legal fight with Twitch

"Twitch appears to do nothing in response to the thousands of notices of music infringement that it has received nor does it currently even acknowledge that it received them, as it has done in the past," the letter reads in part, according to Variety.

#### **GAMERANT**

Twitch Streamer Gets Hit With DMCA Strike Despite Using Soundtrack Service

Twitch streamer Kevin Martin is hit with a copyright strike after using Twitch's own music application that is supposedly 'safe' for content creators.

#### **BLEEPINGCOMPUTER**

Angry YouTube-dl users flood GitHub with new repos after takedown

GitHub took down YouTube-dl's repositories due to a DMCA infringement notice filed by Recording Industry Association of America (RIAA), an organization that represents the recording industry in the U.S.



#### **DIGITAL MUSIC NEWS**

Twitch Creators Slam DMCA Strikes
— "It Can't Get Any Worse Than This"

"If I receive three strikes, my channel is terminated, yet I can't see the strike, I can't submit a counternotification, I can't submit a dispute," Joe says. "It can't get any worse than this."

## **PEDESTRIAN**

Lorde Fans Are Having Their Twitter Accounts Nuked For Sharing Her New Single's Cover Art

People who shared images of Lorde's peach are finding their tweets deleted, or themselves suspended, blocked or m(ass) banned from Twitter.

P∃X

#### Music licensing 101: Behind the upload "I Will Always Love You" by Dolly Parton Composition Dolly Parton Publisher Sony Music Publishing **UPLOAD 1 UPLOAD 2 UPLOAD 3** UPLOADS Creator uploads a video Creator uploads a video Creator uploads a video of which includes Dolly which includes Whitney themself singing "I Will Always Love You." Parton's recording of Houston's recording of "I Will Always Love You," "I Will Always Love You," while playing the piano. in the background. in the background. Composition Composition Composition COPYRIGHTS **Dolly Parton Dolly Parton Dolly Parton** Publisher Sony Music Publishing Publisher Sony Music Publishing Publisher Sony Music Publishing Master recording Master recording **Dolly Parton** Artist Whitney Houston SME/RCA SME/Arista The recording and The UGC platform needs The UGC platform needs composition need to be technology to detect this melody matching identified using technology is the Whitney Houston technology to identify this and the rights must be recording and not the as another recording of licensed separately. Dolly Parton recording. the same composition. The recording and Only the composition composition rights must rights need to be licensed. be licensed separately. DEX

Knowing what music is uploaded and who owns the rights is a daunting task when up against the speed and scale of UGC

But when platforms can't identify music or all of its creators, then those creators can't get paid.

Unclaimed royalties are set aside in the infamous "black box" – which is often paid out to the wrong people.

Can't find your royalties? You lose them.

# Why isn't there more effort to end the black box and pay creators what they deserve?

# Well, we'll tell you

If you pick us for SXSW 2023, you'll learn...

Why platforms face attributing and identifying user-generated content

And as a result, prevent creators from getting paid

Why ending the black box isn't everyone's priority

Even though it should be

How rightsholders can take advantage of audio, video, and even melody matching technologies to find and claim all their royalties

Yes, there are solutions to these problems

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