AP steps up online copyright protection

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SAN FRANCISCO - The Associated Press will intensify its efforts to protect its copyrights on the Web and possibly uncover new sources of revenue by working with a Silicon Valley startup that's trying to help the media gain more control over digital content.

Under an agreement to be announced Thursday, the AP will subscribe to a service developed by Attributor Corp. to track how its stories are distributed across thousands of Web sites. The monitoring tools eventually will be expanded so the news cooperative will be able to keep tabs on the use of its photos and videos on the Internet, too.

Although precise terms aren't being disclosed, the AP's fees will depend largely on how heavily it relies on Attributor's service.

With the deal, the AP becomes Attributor's first major customer. The Redwood City-based startup, led by former Yahoo Inc. (Nasdaq:YHOO - news) executive Jim Brock, has spent the past 18 months developing a system for determining whether Web content is authorized or unlicensed.

Attributor so far has indexed more than 13 billion Web pages, providing the AP with a potentially powerful tool for better understanding how its content is being consumed online and, ultimately, detect copyright violations, said Srinandan Kasi, the news cooperative's general counsel.

"What we are trying to say is that if someone wants to use our news, they have to pay for it," Kasi said in an interview.

Rather than trying to scan all the material that AP produces each day, Attributor initially will focus on a few hundred stories likely to attract a lot of readers. Web sites that are updated frequently will be tracked more intensively. The AP can log in to Attributor's service to track usage and flag potential copyright violations.
Protecting copyrights is becoming increasingly important to long-established media like the 161-year-old AP as people spend more time on the Web instead of reading newspapers, watching television or listening to the radio.

While many Web publishers are paying for content or working out other licensing agreements, copyright disputes continue to crop up on the Internet — vexing media executives already trying to cope with eroding revenue as more advertisers shift their spending to the Web.

Some of the online advertising appears to be flowing to Web sites that include copyrighted material without proper authorization.

The not-for-profit AP has been affected by the trend because it relies on fees from its member newspapers and other commercial media sources for much of its revenue. The market conditions prompted the AP to freeze its basic rates for newspaper and broadcast members this year and keep them at the same levels again next year.

Boosted by more online income, the AP's revenue last year rose nearly 4 percent to $679.8 million. But the cooperative's net income plunged 28.5 percent to $13.3 million.

The AP doesn't intend to take a litigious approach in its enforcement of its copyrights and instead will try to negotiate licensing agreements consistent with its mission of keeping the public informed, Kasi said.

Attributor's monitoring tools also could help AP's management get a better handle on what kinds of stories attract the most online traffic — knowledge that Kasi said could be used to develop more creative approaches that generate more revenue.

The AP's patronage could open more doors in the media for Attributor. The startup is already testing its service with about a dozen other undisclosed companies, said Brock, who hopes the AP proves the effectiveness of the service.

"It's a very important feedback loop from one of the most important content producers in the world," Brock said.

Privately held Attributor has raised more than $10 million so far from a list of investors that includes five venture capital firms: Sigma Partners, Selby Venture Partners, Draper Richards, First Round Capital and Amicus Capital.
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