Rights-holders bear brunt of costs of chasing pirates

Rights-holders will bear the brunt of the costs for tackling copyright infringers, the UK government has said.

The music and film industry will pay three-quarters of the costs of pursuing net pirates, with internet service providers paying the remaining quarter.

ISPA, which represents UK ISPs, said it was "disappointed" that it had to share the costs of implementing the controversial legislation.

The crackdown will see letters sent to those suspected of being net pirates.

The government also revealed that there will be no fee charged to consumers who want to appeal against the notifications.

It added a caveat though - if it receives large numbers of "unnecessary appeals" it reserves the right to introduce a "small fee" down the line.

Judicial review

The plans, laid out in the Digital Economy Act, have proved highly controversial.
It will see those identified as illegally downloading content sent a series of letters with the threat of further measures, such as slowing down offenders' internet connection or possibly removing them temporarily from the internet, if they continue.

The policy, which was rushed through at the end of the last parliament, drew criticism from MPs who said the legislation was too complex to be made into law so quickly.

Campaigners have said that legislating against file-sharing is doomed to failure, especially as many methods of sharing files now happen "off network".

There are also concerns that innocent people could be caught out if their connection is hijacked by pirates.

Internet service providers have questioned the legality of the Digital Economy Act and BT and TalkTalk are seeking a judicial review of the legislation.

Announcing how the costs will be shared, communications minister Ed Vaizey reiterated the need for such a tough policy.

"We expect the measures will benefit our creative economy by some £200m per year," he said.

"Protecting our valuable creative industries, which have already suffered significant losses as a result of people sharing digital content without paying for it, is at the heart of these measures," he added.

The music and film industries estimate that six million people in the UK regularly file-share copyrighted content without permission.

Technical understanding

An industry study, by economics firm TERA Consultants, estimated that the UK's creative industries experienced losses of £1.2bn in 2008 due to piracy.

The BPI, which represents the UK music industry, said it thought ISPs should pay more.
We continue to believe that ISPs should bear a greater proportion of the costs of communicating with their customers about illegal P2P use on their networks," said Adam Liversage, director of communication at the BPI.

But ISPA (Internet Service Providers' Association) said it was "disappointed" that ISPs had to pay any of the costs.

Nicholas Lansman, ISPA Secretary General, said rights-holders should pay all the costs.

"ISPA strongly believes that the internet offers excellent opportunities for rights holders to access their target market with relevant lawful content without the significant costs associated with a non-digital environment and views today's announcement as contrary to the promotion of the digital economy," he added.

Andrew Heaney, director of strategy at ISP TalkTalk, went further.

"It is absolutely outrageous that ISPs will be forced to pay for the costs of the music and film industries to enforce their own copyright," he said.

While Sebastien Lahtinen, co-founder of broadband news site ThinkBroadband welcomed the government's decision to keep the appeal mechanism free for consumers, he wasn't convinced the system would favour users.

"We do still have some concerns about the level of technical understanding a consumer may require, to effectively challenge an allegation of copyright infringement, but we hope that the system will be designed to be as accessible as possible," he said.

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