Industry sounds alarm on piracy

 ANNE FLAHERTY - Associated Press - Associated Press

The music and movie industries are sounding the alarm again on online piracy, saying illegal downloads are on the rise and search engines like Google aren't doing enough to stop them.

Entertainment executives say they have no intention of trying to revive failed legislation that would have imposed unprecedented regulations on Internet companies. That proposal last year prompted a fierce backlash from tech companies and activists who said it would damage the Internet as a free and open enterprise.

But the industry's top lobbyists returned to Capitol Hill this week to try to renew interest in online piracy, which has largely fallen off the public's radar. They are distributing to sympathetic lawmakers their own research on what they say are the growing perils of piracy — some of which is contested by Internet activists — and telling Congress that Google and other search engines aren't doing enough to redirect consumers away from known pirating sites.

The suggestion was that private talks between entertainment executives and Google on anti-piracy efforts had failed to produce a solution, prompting two lobbying giants — the Motion Picture Association of America and the Recording Industry Association of America — to make their case instead in news conferences and hearing rooms on Capitol Hill on Wednesday, while Google declined to comment.

"We invite Google and the other major search engines to sit down with us to formulate a plan that goes beyond promises of action and actually serves its intended purpose of deterring piracy and giving the legitimate marketplace an environment to thrive," RIAA Chairman Cary Sherman told a House panel on Wednesday.

Earlier that day, MPAA Chairman Christopher Dodd, a former U.S. senator, joined several House lawmakers in telling reporters that "as the Internet's gatekeepers, search engines share a responsibility to play a constructive role in not directing audiences to illegitimate content."

While Google declined to discuss the allegations, a spokeswoman pointed reporters to its own recent piracy assessment. In that report, Google claims consumers are more likely to find pirated material from friends or social networks than by using its search engines.

"Google search is not how music, movie and TV fans intent on pirating media find pirate sites," Google wrote in a report titled "How Google Fights Piracy."

The precise amount and damage done by pirated content has long been a source of debate among Internet activists, who don't want any government regulation, and entertainment executives, who say rampant piracy hurts the U.S. economy. Independent research on the issue has been scarce. A 2010 study by the Government Accountability Office concluded it was "difficult, if not impossible" to determine exactly how much U.S. companies were losing to counterfeited goods and piracy in general.

Since last year's hotly contested anti-piracy legislation, which awakened a grass-roots lobbying movement of Internet activists, lawmakers have had little appetite to revisit the issue. And industry has said it has abandoned legislative reforms in lieu of voluntary measures, such as ad networks advising members not to advertise on sites known to offer illegal content. Payment processors like Visa, MasterCard and PayPal also have agreed not to do business with sites that continue to pirate copyrighted material.

And, last August, Google announced it would tweak its search engine to lower the visibility of any site that acquires a high number of copyright removal notices.

But the music and movie lobbyists said this week that by their account, the change hasn't worked. MPAA's eight-month study, conducted through online surveys by the Boston-based consulting firm Compete for an undisclosed amount, found that 20 percent of visits to sites with illegal content were "influenced" by a search query.

NBCUniversal, which is owned by Comcast Corp., commissioned a similar study, also released this week. That study, done by a London-based digital brand monitoring company called NetNames, found that illegal content available on the Internet jumped some 159 percent between 2010 and 2012.

David Price, the chief researcher on the study, said his analysts came to that conclusion by reviewing the top 12,500 files out of 3.5 million on a public BitTorrent network — it enables people to swap large files — to determine how much of it was legal. After omitting pornographic files, the group determined that 99.97 of files shared using the popular peer-to-peer protocol were illegal.

Not everyone is swayed.

Matthew Schruers, a copyright law expert with the Computer Communications and Industry Association, which opposed last year's industry-backed piracy bill, said the 12,500-sample size used in the NBCUniversal study would be too small to determine an accurate percentage of infringing content. He also questioned MPAA's definition of what it means to be "influenced" by a search engine.

"Nobody is saying infringement isn't a problem," Schruers said. "The question is what to do about it. ... Bad numbers lead to bad policy."

Rep. Adam Schiff, co-chair of an anti-piracy caucus, said he remains sympathetic to the plight of industries reliant on copyright. But he is hoping that the two sides can work out their disagreements on their own.

"I'm a big fan of voluntary agreements," said Schiff, D-Calif. "I've seen what happens with legislation."

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