



## AIC's Response to the Hong Kong Copyright (Amendment) Bill 2011

Thank you for the opportunity to contribute our views to the proposed Copyright (Amendment) Bill, 2011.

### About the Asia Internet Coalition (AIC)

The Asia Internet Coalition (“AIC”) is an industry association founded by eBay, Google, Nokia, Skype and Yahoo!. Incorporated in Hong Kong, the AIC seeks to promote the understanding of Internet policy issues in the Asia-Pacific region.

Artists and entrepreneurs use the Internet to create fantastic new things. That’s true on popular Internet services like iTunes, YouTube and Amazon, which have launched careers and created entirely new markets that reach a huge audience. They have not only opened up opportunities for existing artists and publishers, but as importantly, leveled the playing field for new creators. Today, more music, movies, video, and books are published than ever before.

We also understand that while online piracy remains a serious challenge, viable marketplace alternatives are making progress. Just a few years ago, there was no iTunes, and it wasn’t clear if anyone could “compete with free.” Now, digital music sales have grown 1,000% over the last six years and there are more music purchases than ever before. Meanwhile, services like YouTube are creating entirely new revenue streams, and Amazon is selling more eBooks than paperbacks. Consumers will play by the rules if they are offered high quality content that is convenient to purchase and competitively priced.

### Copyright (Amendment) Bill 2011

The AIC is supportive of the Commerce and Economic Development Bureau’s (CEDB) proposed digital copyright law amendments and we provide further comments to ensure laws that will protect artists and fosters innovation in new online services that help people create, distribute, and engage information.

- **Provide flexible limitations that allow the online environment to function:** New technologies won’t be built if every innovation requires an amendment to the copyright laws. As internet companies, we are also keen on retail competition and an open market, thereby ensuring that the public have access and choice to legal products at a great value.
- **Ensure online platforms’ responsibilities are appropriately limited:** Balance should be struck on protecting copyright of rights owners with civil liberties and rights of general public, and the established business operation and administrative burden that any proposed regime and mechanism will impose on Online Service Providers.



- **Enforce copyright protections in a smart, tailored, and proportional way:** Enforcement is important, but it should be tailored to avoid chilling legitimate innovation and expression. Enforcement without exceptions would throttle internet startup companies and many existing companies in Asia that depend on the internet for their primary and secondary source of income.
- **Injunctions should be limited:** Online service providers shouldn't be held legally responsible for copyright infringing content created by Internet users, so long as they take that content down after receiving a valid notice from a content owner. We recommend intermediaries be safeguarded from injunctions, to provide legal certainty.
- **Code of Practice:** We are supportive of the proposed Code of Practice in support of the statutory regime but like to emphasise the need for a comprehensive and fair discussion and consultation with representatives of major stakeholders in drawing up and finalising the Code of Practice.

19 July, 2011