

Media Conglomerate Demands That YouTube Remove Unauthorized Videos

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By Kenneth Davis

Viacom, Inc., which owns MTV, VH1, Comedy Central, and Paramount Pictures, has demanded that YouTube take down more than 100,000 unauthorized videos from its hugely popular video-sharing site. Viacom made the request after failing to reach a distribution agreement with YouTube and its corporate parent, Google, Inc.

Viacom said in a statement that after several months of discussions with YouTube and Google, "It has become clear that YouTube is unwilling to come to a fair market agreement that would make Viacom content available to YouTube users." It added that YouTube and Google had failed to deliver on their promise to implement several "filtering tools" to prevent unauthorized videos from appearing on the site.

The media company said its pirated programs on YouTube have generated about 1.2 billion video streams, according to a study conducted by an outside consultant.

"YouTube and Google retain all of the revenue generated from this practice, without extending fair compensation to the people who have expended all of



the enon and cost to create it, viacom said. The recent addition of You rube-served content to Google Video Search simply compounds this issue."

YouTube said in a statement that it would comply with the request and that it cooperates "with all copyright holders to identify and promptly remove infringement content as soon as we are notified." The company added that it is "unfortunate that Viacom will no longer be able to benefit from YouTube's passionate audience, which has helped to promote many of Viacom's shows." YouTube has historically removed clips at the request of copyright owners within hours.

In November, YouTube agreed to delete nearly 30,000 files after the Japan Society for Rights of Authors, Composers, and Publishers complained of copyright infringement.

Further increasing the pressure on YouTube is the fact that it's now part of the Google juggernaut—and TV networks, record labels, and movie studios are no longer completely clueless about the potential uses and commercial benefits of online video. They're now moving quickly, if not always deftly, to generate new revenue streams by making their TV shows, music videos, and feature films available for downloading or viewing on the web (*Forbes.com*).

Viacom asked YouTube to take the clips down but stopped short of filing a lawsuit.

Under federal copyright law, online services such as YouTube are generally immune from liability as long as they respond to takedown requests such as these, which they often do. Less clear legally is what happens when another



user posts the same video—something commonly done on the free video-sharing site.

In its statement, YouTube skirted that issue, making no comment on the status of its efforts to create an effective filtering mechanism to keep unauthorized video clips off its site. It's an issue that has taken on increased sensitivity given the recent emergence of new technologies that identify, tag, and filter audio and video content.

"They filter pornography, they filter hate," Carl Folta, Viacom Executive Vice President for Corporate Relations, told *Forbes.com*. "But how is it they can't recognize Jon Stewart? There's an inconsistency there."

Viacom's move also runs counter to the strategies employed by other media companies, such as Warner Music Group, Vivendi-owned Universal Music Group, and General Electric-controlled NBC Universal, which have all made deals with YouTube to test its service.

Universal Music threatened to sue YouTube last year but reached a partnership with the company. The deal involved Universal taking a small stake in the company, according to several published reports.

CBS Corporation, which spun off from Viacom, also has a deal with YouTube.

Even though some media companies have decided to experiment with YouTube, other companies—including News Corporation, NBC, and Viacom—have held discussions about creating their own online video businesses, sources have said.



And despite its problems with YouTube, Viacom remains a partner with Google through an online video distribution deal reached last August under which Google has distributed ad-supported MTV Networks video content to web publishers and continues to sell video downloads for \$1.99 each at Google Video (*Forbes.com*).

On the Net

Viacom, Inc.

www.viacom.com

YouTube

www.youtube.com

Warner Music Group

www.wmg.com