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Request of Defendants



Music Copyright

David King

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DATE: 12-12-08
DEPONENT: King

EXHIBIT# 18

CASE: Viacom, et al., v. YouTube, et al., The Football Association Premier League, et al., v. YouTube, et al., Case Nos. 07-CV-2203 and 07-CV-3582
A. Ignacio Howard, CLR, RPR, CSR No. 9830

Highly Confidential

G00001-01905256

Commercial Commitments

Partner Type	Investment	Projects & Resources
Movie & TV Industry	[REDACTED]	CYC - Yi-Ling FP - Jianliang
Music Labels	[REDACTED]	CYC - Yi-Ling FP - Jianliang
Music Publishers	[REDACTED]	CYC - Yi-Ling FP - Jianliang



Why this matters?

- We only monetize video watch pages when we have an active ownership claim

- Over [REDACTED] video watch pages per day

- \$1 CPM = [REDACTED] per year

- \$10 CPM = [REDACTED] per year

- \$30 CPM = [REDACTED] per year

- [REDACTED]

Music Copyrights

Right Type	Label - Sound Recordings	Publisher - Compositions
Reproduction	Direct negotiation	Compulsory, standard rate
Performance	Online only - sound exchange	Compulsory, PRO license (ASCAP, BMI, SESAC)
Distribution	Inherent in CD, negotiate for online	Only applies to sheet music
Synchronization	Direct negotiate	Direct negotiation

x



YouTube Confidential



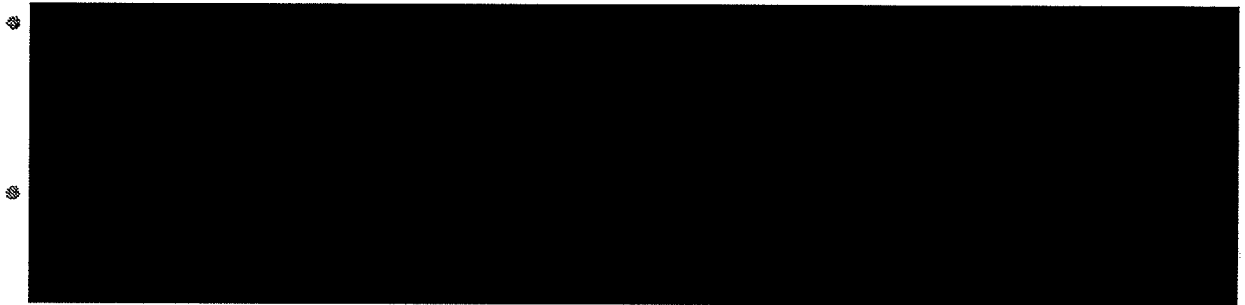
Deal Parameters

	Premium Videos	UGC with Label Soundtrack	UGC with Song Cover
Label	██████ videos, license both sound recording and composition	██████ sound recordings, admin help w/ publisher	No participation
Publisher	License through label	Direct license	Direct license, ██████ difficult to ID



Project Detail: Music

- In US alone, 400,000 active CD titles, millions of songs, 15,000 labels 40,000 music publishers, variable data standards and communication protocols. World catalog is >50 million songs.
- To achieve an actionable video policy, requires mapping of sound recording and composition rights. Entails mapping of millions of underlying licenses into intelligible entities, from diverse inputs.
- Core challenge is labels manage recordings, organized around ISRC, publishers manage compositions and organize around ISWC. Neither keeps good records of the other's world.



Project Detail: Music Publishers

- Publishers have existing data standard called Common Works Registration. Complex platform but will accelerate our acquisition of data if we adapt.
- Complex ownership and administration arrangements, and constant movement of catalogs between publishers.
- Approximately 40% of compositions are represented by more than one publisher, with no maximum number of possible publishers.
- International requirements - In accordance with local laws, our deals with music publishers cannot include coverage for Europe and Japan as those rights are administered by local collection agencies. This means that the same piece of content will require multiple licenses and administration by geo.
- In most cases, labels will help administer publisher rights, but some deals will require direct management, and direct is long term goal for all.
- We will send list of tracks we think are licensed to publisher for confirmation.
- Takedowns will be at songwriter level.
- Labels cannot help administer Covers as they have no stake in the sound recording.
- Publishers are pushing hard for FP support for finding Covers.

More Detail: UMG Example

	Market Share	Songs	% Total	Partial Lid	100% Lid	% Total
UMG complete						
UMPG overlap						
EMI overlap						
Warner overlap						
SonyATV (est.)						
BMG (est.)						
5 Majors total						

- Big difference in market share between sales vs. track counts
- Can't prioritize what you don't know - can't always take advantage of relevance in accumulating catalog, that requires research driven approach, and promiscuous data gathering
- License coverage is achieved by intersection of 3-way dealscape, and then ability to process
- Will require many deals....

Plan

- Get complete catalog statements from all signed labels, including data for composer, publisher, sub-publisher, and any other data we can get from them
 - Includes EMI, SonyBMG, UMG, WMG
- Get complete catalog information from signed publishers in industry standard CWR format
- Prioritize work by processing files as we receive them