Redacted Pursuant to Protective Order at Request of Defendants Page 1 of 4

Lou Kvitek

From:

Matthew Liu [matthew@youtube.com]

Sent:

Friday, February 02, 2007 5:10 PM

To:

Jim Schrempp

Cc:

'David King'; 'Lou Kvitek'; 'Franck Chastagnol'

Subject: Re; Separate YouTube fingerprint DB

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Ok. In that case then those remaining fingerprints for the "rest" (hopefully they would define this and not just mean hundreds of thousands of tracks) would be included in the new data set and have policy Block. From a YouTube perspective, we hope UMG never goes there but they very well might. We just don't want to be taking a default policy from P2P or from content that has not yet been cleared but is in the pipeline to be cleared. Right now that is the case because UMG, YT, publishers have not been able to clear the entire library. All teams are working on doing this as we speak.

On Feb 2, 2007, at 3:42 PM, Jim Schrempp wrote:

Hi Matt.

Great

So with respect to the idea of a business rule, I want to be really clear between us. Suppose we put this process in place. UMG gives us business rules for 10,000 tracks. Then they tell me, "ok, the YouTube rule for all the rest is 'Block". How would I respond to that?

Best Regards,

Jim

Audible Magic Corporation

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From: Matthew Liu [mailto:matthew@youtube.com]

Sent: Friday, February 02, 2007 3:31 PM

To: Jim Schrempp

Cc: 'David King'; 'Lou Kvitek'; 'Franck Chastagnol'
Subject: Re: Separate YouTube fingerprint DB

Hi Jim,

So as I understand it, you currently have hundreds of thousands of songs fingerprinted for each record label. They labels will all have a default policy, in many cases blocked (for P2P, YouTube, other services). What we are asking is for you to create a separate reference set. This set would only be populated by fingerprints where the content partner has explicitly set a policy on an individual basis.

4/22/2009

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The rationale here is that UMG would like us to identify videos that have gone through a strict process of rights clearances (explicitly rev. share or take down) and not content where that effort has not been made.

So as UMG clears content, they will explicitly denote the revenue share policy and we will want to include this information in the new data set. There will of course be tracks that cannot be cleared and they will explicitly denote the blocked policy. When we ping your servers to check our unknown fingerprints, this is the data set we would like to access (not the master set with hundreds of thousands).

Regarding WMG, we do not yet want to include them for production. The track policy is a temporary policy that they set (no longer viable) and we will want to them to explicitly denote revenue share ore block for individual video items as well. Ideally, we will go along with the same process with them and the other labels. I believe I speak for the entire time when I say we are prepared to take on the small charges if they are required to onboard these partners.

Thanks, Matt

On Feb 2, 2007, at 3:20 PM, Jim Schrempp wrote:

Hi.

A few questions -

I don't know what this sentence means "Your policy rules engine should not be used to populate this database."

With the method below, if a content owner said, "the default for YouTube is block all" then we would put all of their fingerprints into the database. Is this correct?

We were/are ready to deploy WMG content, do you want us to put their fingerprints into production too? I think WMG has a default of "track" so this would mean that all the WMG fingerprints would go into the database.

I did say that it would be just the engineering charges to set this up for UMG, assuming that UMG is easy to deal with and the process is smooth.

If other labels join in this process then there might be a similar small charge to bring them on-board, assuming they are ready to go. If a label puts un-due burden on us, then we will have to charge you for this. I'm thinking of a very bad case where the label wants to start fuzzy matching song titles for business rules. If that's the case then it would not be cheap to do (and it would be a bad idea).

Jim

Audible Magic Corporation

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----Original Message---From: David King [mailto:dgking@google.com]
Sent: Friday, February 02, 2007 10:46 AM
To: Jim Schrempp; Lou Kvitek
Cc: Franck Chastagnol; Matthew Liu
Subject: Separate YouTube fingerprint DB

Hi Jim,

Thanks for the call this morning. I've talked with a few people here and wanted to confirm our decision. You had suggested that, for the price of the consulting time it would take to set up, you could build up a YouTube specific database of reference fingerprints. This DB will be populated as our content partners deliver explicit track level policies, and will start out entirely empty until data is received. Our copy of the reference DB should only include tracks with policies as communicated by labels. Your policy rules engine should not be used to populate this database.

I will start an email thread with you and our first partner (UMG) right after this. Please provide them direct guidance on how you expect them to communicate the policy information, keeping us on copy of course. I add Lou to the conversation just to add some redundancy in the communication. Lou, can I keep you on copy with UMG?

Please call if you have any questions.

Regards, David King

cel

Matthew Liu
Product Manager
| matthew@youtube.com