

**From:**  
**To:** [FN-OMB-IntellectualProperty](#)  
**Subject:** Concerning IP violations of multimedia and entertainment IP  
**Date:** Wednesday, February 24, 2010 6:38:37 PM

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Hello,

I would like to comment on the damage to the us economy in regards to multimedia IP violatoins. I define multimedia IP as music and video entertainment products such as songs, movies, tv shows and related materials. Because of the wording of the language I will have to say that the "cost" of infringements to these works is a negative number. Meaning, Infringement is helping the US economy. I say this because under the current legal atmosphere infringing activities are helping to keep the US as the market leader in innovative business practices, technology maturity, and new markets. The traditional actors in the multimedia realm (RIAA, MPAA, etc.) are inhibiting the effective growth of future markets and technology by attempting to force outdated business practices through legal means. The best case I can name which may be understood is the rise of the iTunes marketplace. This concept which was enabled through the legal might of apple enabled a whole new marketplace for digital goods which has quickly become the example for the rest of the industry. Despite this the original marketplace was burdened by costly IP issues and DRM restrictions which slowed its growth and adoption. It has also been shown that traditional actors through legal actions stand to profit more from fines levied off infringement than by actual sales. (Threaten to sue someone unless a settlement of \$800 is paid equals the same profit as 800+ songs sold).

If you truly wish to address the issue of piracy and its cost to the U.S. marketplace I strongly encourage you to work to reform IP laws so that they do not stifle innovation, new markets and technology. Piracy will not be deterred until the business alternative is present. Until then it is only the common U.S. citizen, which I would argue should be your TRUE constituency, that will be economically depressed and groomed for future economic losses.