Exploring the value of openness in the digital economy

Consumer and business research plan

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About Consumers International

• Global federation of consumer organisations
• 240 member organisations in 120 countries
• Independent and not-for-profit
• Global research and campaigns through and for our members
Consumer and business surveys

- Part of a broader research agenda on the value of openness (including also enforcement, open licensing, etc)
- *How flexibilities affect consumer welfare and innovation in the tech and creative industries in developing countries*
- **Output:** panel data for empirical work showing changes in consumer and producer behaviour and welfare over time
- **Objective:** to explore the economic and social value of open and flexible approaches to IP in the digital economy
Components

• **Surveys:** multi-country biannual surveys of consumers and producers who are particularly affected by flexibilities

• **Indices:**
  • American University will contribute an index of copyright flexibility in target countries over time
  • CI will also refresh our IP Watchlist for all of the target countries for deeper analysis of the survey data

• **Research:** panel data will be open data, can be used for a range of analysis by a range of independent researchers
Timeline

- Finalisation of draft research plan (*you're part of that*)
- National research partners confirmed (January 2014)
- Face to face briefing of research partners (March 2014)
- Focus group meetings (April 2014)
- IP Watchlist reports submitted (April 2014)
- Pre-testing of English survey instrument (May 2014)
- Initial consumer and business surveys (June-August 2014)
- Raw survey results presented at AU (September 2014)
Business survey sample

• Business population
  • Educational and research institutions
  • Internet search and web hosting providers
  • Producers of devices allowing individual copying
  • Content industries

• Global Industry Classification Standard to be used

• Aiming for 200 businesses per country
Business survey questions

• Which flexibility-dependent acts are involved in *production* or *consumption* of your goods or services?
• Do you think they are legal (under licence, flexibilities)?
• Are you aware of any recent changes in copyright law?
• Has copyright limited you in developing new products?
• What barriers have you faced in developing flexibility-dependent products (licensing, enforcement, etc)?
• Do you use restrict use with TPMs or licence terms? Why, and are consumers notified of these?
“Willingness to pay” by business

• Hypothetical about introducing a new product or service that is flexibility-dependent – would you spend $x to:
  • Lobby for that flexibility
  • Negotiate and pay for a licence
  • Move production or supply of the product offshore
  • Save it for insurance against infringement claims
• How much of the average cost per unit of that product or service would you pay for your preferred solution?
Consumer survey sample

- Consumer population
  - Consumer-creators who share artistic, musical or dramatic works (e.g. amateur musicians and artists)
  - Consumer-creators who share literary works (e.g. bloggers, Wikipedians)
  - Consumer-creators who share software (e.g. non-professional developers of free and open source software)
  - Fan communities who remix and share copyright works (e.g. fan art, fan fiction)
- Aiming for 300 consumers per country
Consumer survey questions

• How do you access media (music, video, text) digitally (optical disk, copying, downloading, streaming/browsing)?
• What flexibility-dependent uses do you make (copying for yourself, others, uploading, modifying, breaking TPMs)?
• What do you understand about the legality of those acts (if they are sometimes legal, in what cases or purposes)?
• Are you aware of any changes to copyright law?
• Do you create, transform or reuse content? How much, through what channels, and placing what limits on re/use?
• What barriers do you face (access, TPMs, legal risk etc)?
“Willingness to pay” by consumers

• How many TPM-free items would you trade off against TPM-limited items that prevent you copying or reusing?

• Same question but it is illegal to copy or reuse even the TPM-free items.

*These questions illuminate how much legal and technological flexibilities are worth to consumers of digital products.*
Countries

• Aiming to cover up to 20 developing countries and up to 6 developed countries (subject to funding).

• Amongst countries are:
  • Those where copyright law has changed or is changing
  • Those with more open versus closed-list exceptions

• Proposed to include Argentina, Australia, Bangladesh, Brazil, Canada, Chile, Fiji, India, Indonesia, Israel, Kenya, Lebanon, Malaysia, Mexico, Morocco, Nigeria, Oman, Pakistan, Philippines, Seychelles, South Africa, Thailand, United Kingdom, United States, Zambia and Zimbabwe
IP Watchlist

- A global survey of copyright law and enforcement
- Will cover the same countries as the surveys
- Criteria approved by expert advisory group
- Over 60 questions in 11 categories
- Identifies countries whose IP policies and practices are most harmful to consumers
- Last paper edition was in 2012
- Will supplement at new index of IP flexibility by AU

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IP Watchlist categories

• Scope and duration of copyright

• Freedom to access and use (by home users / for education / online / by content creators / by the press / by libraries / by disabled users / in public affairs)

• Freedom to share and transfer

• Administration and enforcement
Example questions

• Is the period of protection of each type of copyright work limited to the minimum duration mandated by the Berne Convention?

• Is time, space and format shifting allowed (such as ripping music from CD to an MP3 player)?

• Can copyright works be non-commercially remixed or mashed up into new works?
Conclusion

• This is your opportunity to give feedback on:
  • The overall survey methodology
  • The populations selected for consumers and business
  • The draft questions to consumers and business
  • The proposed countries to be covered

• Do you want to participate as a country researcher?
• Do you want to do an IP Watchlist report?
• Do you want to analyse the initial survey results?