

CAN TECHNOLOGY BE HARNESSSED TO REWARD WRITERS?

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We creators well know the internet isn't working fairly for us. Although our creative content has enjoyed unprecedented public exposure, we've never been paid so little for our creations. The problem is indiscriminate—it affects visual artists, musicians and writers alike—and ripples across industries. In Canada, where most art studios/galleries, recording studios and publishers are small and vulnerable to market trends, the problem has led to reduced availability of high-quality Canadian content, not only to Canadians but also to worldwide consumers.

Why is this?

First, piracy is rampant. Anyone can post and copy digital content to the internet, even if they don't own it. Copyright law and digital rights management are ineffective against unlawful consumption of art, music and books uploaded by unauthorized parties who, unsurprisingly, don't share their download revenues with creators. It's as if a life raft, bravely sailing a flag labelled "copyright," has been dropped into an ocean of powerful currents and tidal waves.

Second, legitimate, but megalithic, platforms absorb the vast majority of the lawfully gained value from creative works, leading to a different kind of imbalanced value distribution. In this scenario, the seas our vessel sails may be more benign, but ocean tankers surround us.

Third, copyright legislation for Canadian creators works against them because of a new fair dealing exception for educational purposes, which represents an even stronger headwind for our valiant life raft to battle.

At the same time as the 2012 enactment of the *Copyright Modernization Act* (which

would create the storm introduced by the educational purposes exception), it became illegal to break a technological protection measure (TPM), better known as a "digital lock." If a TPM secures a creative work, and someone breaks it, they are liable to pay up to \$1 million for each breach. Within the legal community, we watched eagerly for cases on TPM breaking, and the 2017 case *Nintendo v. King* did not disappoint. The Federal Court ordered the lock-breaking defendant to pay \$11 million. Despite the seriousness with which the law treated the infringement, digital lock breaking is reportedly rife. Circumvention (like piracy) is both relatively easy and difficult to police.

New—exponential—technology is required. Examples of exponential technology include 3D printing, drones, robotics, artificial intelligence and blockchain. All are capable within a given period of doubling their performance and/or halving their cost (hence, "exponential"). And of these, blockchain is touted as the technology that can best help the writing community.

Quick, before your eyes glaze over and you turn the page, let me say blockchain is comprehensible for all writers, not just the tech-savvy or Bitcoin traders among us. Blockchain is a technology that combines three main features: (1) peer-to-peer (P2P) sharing (think what Napster did to the music industry); (2) cryptography (the computerized encoding and decoding of information); and, (3) behavioural economics* (sounds almost human).

Access Copyright (accesscopyright.ca), the collective agency charged with ensuring creators are fairly paid for their creations, posed the question: How might we leverage blockchain to enhance the value of creative



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works both for creators and users? After all, in today's unsettled waters, users, too, have problems. They have limited means to ascertain the provenance—the origin—and integrity of the creative content they consume, and little choice as to how to reward creators. (Wouldn't many of us rather pay a musician more than the few pennies they receive when we access their songs on a mega-platform?)

HOW DOES FANSHIP™ WORK?

Following is a simplified description of how Fanship might work.

- Independent authors and publishers upload books and supporting metadata on Fanship.
- Fanship verifies if the work already exists on its attribution ledger. If the work exists, Fanship then confirms, using the information on the ledger, that the person uploading the work is the entity able to authorize its use.
- If the work doesn't exist in the attribution ledger, Fanship directs the person uploading the work to submit a claim through the ledger. The work circulates on Fanship only when the claim for attribution has been approved by an attribution attester and recorded on the ledger.
- Once the work exists on the attribution ledger, a potential reader can download it. Upon download, a royalty is paid almost in real-time to the creator, to the publisher and anyone else designated as entitled to a royalty, such as an editor or graphic designer.
- Also, peer-to-peer selling is possible. If you enjoy a book, you could recommend it to your friend and even send him or her a digital copy. The copyright owner would have set a pre-determined amount of content your friend could read. Then, if your friend wishes to read the rest of the book, he or she is prompted to pay to download the rest of the book. Again, royalties are paid out, and this time a reward is also paid to you, the person who recommended the book and initiated this particular sale.

To learn more about blockchain:

publishingperspectives.com/2019/01/blockchain-publishing-proof-of-concept-canada-access-copyright-spain-renodo/

Attribution ledger:

accesscopyright.ca/media/1407/attributionledger_summary_nov2019.pdf

Blockchain is a ledger—a list of immutable digital records—put together in blocks, then linked in a cryptographically-secure way (chain) that can be inspected by anyone to whom the blockchain is available. Because blockchain is unalterable and transparent, it is trusted.** Blockchain has been called “a trust machine.” Also, blockchain is programmable. It can be programmed, for example, to follow if/then statements like: If you buy Famous Author’s *Latest Novel*, then a royalty of \$X will be paid directly to her; a payment of \$Y will be paid to her publisher; a payment of \$Z will be paid to the designer who created the cover art.

Once an activity (for example, the registration of creative work) is logged onto a blockchain, the record is permanent and can be audited by anyone. Therefore, if a valuable token can be exchanged using blockchain (à la Bitcoin), then perhaps a literary work could also be exchanged with the same technology. Access Copyright can see that blockchain could bring the creator back to the centre of the value equation, instead of remaining on the periphery.

Access Copyright created a subsidiary called Prescient Innovations Inc. (prescientinnovations.com). Prescient is an exploratory laboratory that tests exponential technology and develops new revenue models and services that could enable creators to be paid for their work. Prescient is working right now on such a model. As if it’s meant to fit into the ocean-going metaphor, that model is called Fanship™ (prescientinnovations.com/projects).

Fanship is a fan-recommendation and e-book sales platform that allows independent authors and publishers to view how fans are recommending their books and how those recommendations affect sales. Fanship also allows book fans to track their recommendations of books to others and be rewarded. Access Copyright recognizes that the key link in the blockchain for this application is an attribution ledger, a mechanism verifying that the person who uploads the work is its creator or other rightsholder. Blockchain won’t prevent piracy, but with a sound attribution ledger, instances of piracy will be significantly diminished.

So, yes, technology can be harnessed to help reward writers. The creative community must become involved early in the implementation of the new, exponential technology to ensure we become an integral part of our industry’s value equation. In other words, so we become the captains of our vessels, and in friendlier waters. ■

***This concept of blockchain is attributable to Klaus Schwab, founder of the World Economic Forum.*

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