

Department of Justice

FOR IMMEDIATE RELEASE THURSDAY, APRIL 1, 2010 WWW.JUSTICE.GOV AT (202) 514-2007 TDD (202) 514-1888

<u>DEPARTMENT OF JUSTICE SUPPORTS</u> THE ASSOCIATED PRESS'S PROPOSED DIGITAL NEWS REGISTRY

Registry Could Provide Procompetitive Benefits to Content Owners and Users

WASHINGTON – The Department of Justice announced today that it supports a proposal by The Associated Press (AP) to develop and operate a voluntary news registry to facilitate the licensing and Internet distribution of news content created by the AP, its members, and other news originators. The department said that the development and operation of the registry is not likely to reduce competition among news content owners and could provide procompetitive benefits to both participating content owners and content users.

The Department of Justice's position was stated in a business review letter to counsel for the AP from Christine Varney, Assistant Attorney General in charge of the Department of Justice's Antitrust Division.

The registry would consist of a centralized digital database containing news content from multiple content owners. It would allow content owners to register and list individual items of news content, specify the uses others may make of that content, and detail the terms on which such content may be licensed. The registry would enable content users to determine quickly the licensing and use terms applicable to a specific content owner or to individual items of registered content.

"The AP's registry may provide a new, efficient way for news content users to identify applicable terms of use and purchase licenses for Internet news content," said Assistant Attorney General Varney. "The registry may benefit both news originators and content users by reducing the transaction costs associated with securing licenses for Internet use."

The registry would be a non-exclusive method of accessing, licensing and using content on the Internet. It would be open, on nondiscriminatory terms, to all owners and users of Internet news content. Content owners would be free to select which, if any, content to include in the registry. They would be allowed to offer registered news content outside of the registry. They would also be free to join other competing Internet registry services.

Content owners, including the AP, would not set, formulate, benchmark or suggest any licensing terms for any other content owner's news items listed in the registry. Each

participating content owner would set unilaterally the licensing terms for its own content, without the involvement of either other owners or the AP.

The AP also would institute and maintain firewalls to prevent the registry from being used to disseminate revenue, use, traffic and transactional information among participating content owners. In addition, the AP intends to limit public information sharing among competitors by allowing only registered content users to access public licensing terms.

Under the department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the division currently intends to challenge the action under the antitrust laws.

A file containing the business review request and the department's response may be examined in the Antitrust Division's Antitrust Documents Group, U.S. Department of Justice, 450 Fifth Street, N.W., Suite 1010, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file, unless a basis for their exclusion for reasons of confidentiality has been established under the Business Review Procedure.

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