

ANNENBERG INNOVATION LAB RESEARCH STUDY DEMONSTRATES RELATIONSHIP BETWEEEN ONLINE ADVERTISING & PIRATED FILM, MUSIC AND VIDEO CONTENT

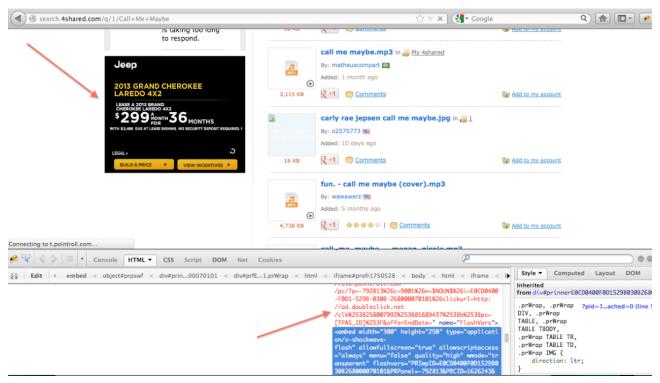
Los Angeles, CA, January 3, 2012 - The Annenberg Innovation Lab at the University of Southern California released the first monthly report (The USC Annenberg Lab Advertising Transparency Report) detailing the Online Ad Networks support of the major pirate movie and music sites around the world. The top ten ad networks placing the most add to Pirate sites are:

- 1. Openx
- 2. <u>Google</u> (including Double Click)
- 3. Exoclick
- 4. Sumotorrent
- 5. Propellerads
- 6. Yahoo (including Right Media)
- 7. Quantcast
- 8. Media Shakers
- 9. Yesads
- 10. Infolinks

The list of top infringing sites was compiled using the Google Transparency Report (<u>http://www.google.com/transparencyreport/removals/copyright/domains/?r=last-month</u>) of domains with the most DMCA Takedown requests.

A recent report, "<u>The Six Business Models of Copyright Infringement</u>" funded by Google and PRS for Music on Brands, investigated Ad Networks and their support of the major pirate movie and music sites around the world and found that advertising financed 86% of the P2P search sites that feature illegally distributed content. Clearly indicating that many major brands are not aware that they are in fact the key source of funds for the Piracy industry, it is the goal of this "transparency report" to aid in helping these brands steer their ad dollars away from sites that exploit film, TV and music artists for what appears to be criminal gain.

The report, which will name the top offenders on a monthly basis, was compiled from multiple sources and will identify the top ten ad networks that place the most ads on Pirate sites, using a bot that scrapes the Ad Network HTML identifier off of each ad.



A list of the top ten brands appearing on Pirate sites will appear in the coming months.

Jonathan Taplin, Director of the USC Annenberg Innovation Lab notes that "Large Pirate sites distribute illegal content and continue to steal trademarked, copyrighted content and siphon millions of dollars away from the creative community, making it much harder for artists to make a living. We do not believe that government regulation alone is the answer to the Piracy problem, but rather that the self-regulation of major sectors like the online advertising industry could make it harder for the "Kim Dotcom's" of the world to unfairly exploit artists. We look forward to working with advertising agencies and networks in the coming months to address this issue."

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About USC Annenberg Innovation Lab:

The USC Annenberg Innovation Lab focuses on media, culture, and society as the basis for innovation at the intersection of art, science, design, and engineering. At the Lab, experts from academia, private and public sector firms, and not-for-profit organizations come together to define, create and disperse culturally relevant applications, platforms, media genres, and practices. The

Lab's mission is to be a leading innovator and advisor on transformational changes happening in our participatory cultures.

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