

Background

Since 1999, Audible Magic has been the premier music and video content identification company for both compliance and monetization. Its content identification solutions have been deployed in a wide range of applications such as Web 2.0/UGC websites, peer-to-peer networks, terrestrial broadcast, public and private networks. Clients and partners include over 150 organizations such as Google/YouTube, MySpace, AOL, DailyMotion, iMesh, Microsoft, Viacom, Universal Music, Warner Music, Fox, Disney, Sony, EMI and over 80 Universities.

Leveraging the Value of Content Identification

Add intelligence to your network. As bandwidth continues to commoditize, transform your infrastructure into a value added delivery network using Audible Magic's Content Identification Services. Example opportunities for ISPs include:

- Monetize P2P traffic by turning illicit traffic into legitimate licensed music and video services
- Achieve cost savings by identifying and isolating users of P2P and managing their illicit usage
- Gain financial leverage with licensors to negotiate for more attractive content licensing deals with the implementation of solutions to control illicit P2P traffic
- Gain insight of music inside licensed video content to use in payment negotiations with rights societies.

Monetize P2P Traffic, Increase ARPU

Create value added services to both attract new customers and retain existing ones while increasing average monthly revenues per user. Music and video services based upon peer-to-peer technologies can help fulfill this need for new services.

In two separate studies, one in the UK and one in Sweden, respondents indicated a strong willingness to pay for file sharing services *if* they could download any music they wanted. In the UK study, 74% of the respondents indicated they would pay and in a Swedish study, it was 86% of the respondents. Easy access, ease of use, and portability were cited as the top reasons for using P2P. Respondents in the Swedish study said they would be willing to pay between US\$6 and US\$17 per month for a legal P2P service that met their needs.

Audible Magic's solutions enable ISPs to offer legal P2P music and video services by addressing two important elements: the proper identification and reporting to ensure rights owners are properly compensated; and it provides the information to the ISP to identify and manage the intransigent illegal downloader.

Achieve Cost Savings

Significant costs are incurred in creating the network capacity to manage P2P bandwidth. Some studies estimate that as much as 80% of this traffic is illicit file sharing of copyrighted content. Savings can be achieved by substantially reducing this P2P traffic through addressing the illicit uses.

Audible Magic solutions identify and track file sharing of copyrighted content over P2P services, allowing legitimate uses to continue unfettered. This illicit traffic can then be isolated and managed to the benefit of both the network provider and content owner.

Gain Financial Leverage with Licensors

Content owners that license content for legitimate DSL, cable and mobile services are losing millions of dollars through illicit P2P activity over the same networks. This gives the network provider leverage with content owners to negotiate better deals. Better financial deals can be negotiated with content owners who are willing to implement controls over illicit P2P traffic.

Gain Insight on Rights Usage

Network operators pay rights societies millions of dollars for music performance and publishing rights based on music content in streamed and downloaded videos. Understanding the amount of music content in videos viewed by users provides the network operator insight on the value of this content. This leads to finding new payment structures the work to the benefit of both the network operator and rights society.

Count on Audible Magic

Audible Magic offers solutions for network providers using best-of-breed fingerprint-based content identification technology based on Audible Magic's audio technology and video image technology licensed from IBM. Solutions are:

- Modular in design to scale to meet network providers needs
- Resilient to changes in content formats, codec's, and induced transformations such as time scaling, spatial scaling, noise, cropping, overlays, etc.
- Accurate with identification rates of 99% or better and with less than .0003% false positives
- Robust with a registry of over 7 million fingerprints provided by content owners
- Proven at major companies and on university networks