In-Network Graduated Response

CopySense® Appliance

Proven Deterrent to Illegal P2P File Sharing of Copyrighted Works

Benefits:

- Proven deterrent to illegal file sharing
- Under complete ISP control
- Real-time detection and communication with subscribers
- Respects subscriber's privacy rights
- Supports monetization and legal options
- Completely automated solution
- Interoperates with existing network devices
- Has no impact on proper network functioning
- Scales to handle high bandwidths

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AUDIBLE MAGIC'S UNIQUE "IN-NETWORK" CAPABILITY

The illegal sharing of copyrighted material over P2P networks can now be addressed through simple, effective means while respecting your subscribers' rights and privacy. By proactively adopting Audible Magic's solution, Internet Service Providers (ISPs) can reduce the bandwidth associated with illegal file sharing, provide 'early warning' services to your subscribers, comply with emerging government regulations, and lay the foundation for new legitimate content delivery services. Audible Magic's unique, patent-protected Graduated Response (GR) System, working in conjunction with its CopySense Network Appliance®, resides inside an ISP's network enabling the operator to productively manage users that illegally share music and videos.

This "in-network" identification solution works for the ISP, providing the ISP with real-time detection and alerts – capabilities not available with any other method. And, it is the only graduated response approach with the potential to change file sharers behaviors and channel them to the ISP's own legitimate content services.

POWER OF REAL-TIME DETECTION AND RESPONSE

Older "over-the-top" detection methods are cumbersome, costly, and unproductive from the ISP point of view. In contrast, Audible Magic's in-network technology detects P2P protocols within an ISP's network and is able to specifically identify illegal copyrighted content sharing in real-time. Also unlike over-the top methods, the in-network approach detects P2P activity for all registered copyrighted works, not just limited to a subset of videos or music. In addition, the Audible Magic solution communicates directly with the ISP infrastructure so the ISP remains in complete control of the end user experience and possesses the potential of linking this behavior to legitimate content services.

Audible Magic's GR System completely supports industry and governmental efforts to educate users on the illegality of sharing copyrighted files. And it easily allows ISPs to implement a variety of graduated communications, sanctions, or monetization.

IN-NETWORK RESPONSE IS A PROVEN DETERRENT

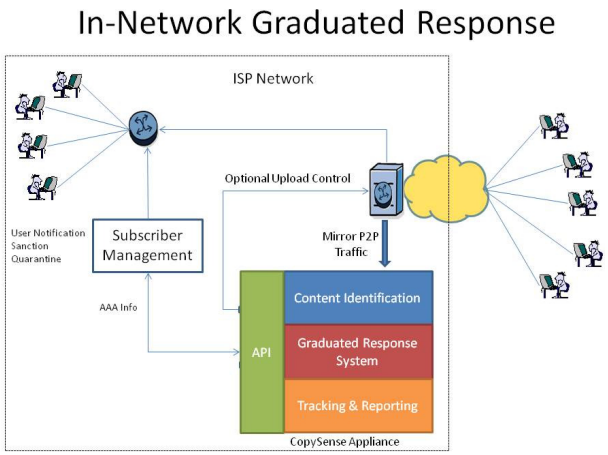
Because the CopySense Appliance with the GR System is integrated directly within the ISP network, copyright offenses are detected and communication with the user can occur in real-time. This means that incidents are immediately reported to the ISP management systems which can take actions specific to a user – which can include user communications, network sanctions, or redirect to legal alternatives. Audible Magic's approach has been proven effective on over 100 university campuses in deterring repeat offenses.

ISP HAS COMPLETE CONTROL

The in-network GR System approach gives an ISP ***complete*** control over the implementation. The GR System detects P2P traffic and alerts the ISP Subscriber Management system when a copyright violation is identified. The system alerts can be configured to support specific network policies and customer communications. If required, the system can integrate with AAA-systems to manage opt-in and opt-out policies so that only users who have specifically agreed to be part of the program are included. ISPs can also choose to automatically isolate and monitor specific parts of their networks or different subsets of users, or can do so manually on an as-needed basis.

SAFE FOR THE NETWORK

The primary concern of a network operator is scalability and reliability of the network itself. Because Audible Magic's solution operates on a mirrored stream it has no impact on network traffic. For ISPs that want to immediately place illicit P2P flows in a different service category, the System can communicate directly with in-line DPI solutions. The solution can be load-balanced to accommodate ISP network bandwidths.



SUPPORTS MONETIZATION MODELS

The CopySense Appliance and GR System support legal aggregators who provide access-based licenses to network sites. Because the system can detect all uploads and downloads of copyrighted material, it can be used to provide aggregated reports of legal file sharing in support of licensing agreements and fee assessment.

With the industry's largest content registry database of over 7 million songs and videos, content owners benefit by having broad coverage of their copyrighted materials, including pre-release content.

IN-NETWORK GR SYSTEM PROVEN EFFECTIVE

While P2P file sharing of unauthorized content remains a critical issue, Audible Magic customers concur – illegal file sharing is greatly mitigated once users realize their behavior is illegal. The key is effective in-network detection, and real-time tracking and communications.

IN-NETWORK APPROACH VS. OVER-THE-TOP MODELS

Audible Magic's in-network approach to graduated response is far more effective and works in real-time as compared to other graduated response approaches, which rely on an "over-the-top" implementation model. Over-the-top systems are typically used outside an ISP's network and implemented by companies employed to troll P2P networks for copyright violations. These companies use P2P spiders to perform text searches for a pre-specified copyrighted audio or video file. This network probing is done without the knowledge of the ISP or the consent of the subscriber.

The over-the-top model is costly in terms of overhead and man-hours required for operation for both the content owner and the ISP. It places a significant burden on the ISP who is tasked with verifying the user of the IP address and providing notification and consequences. Further, given the nature of P2P architectures, identification of users is random and they can be anywhere in the world making isolation more difficult.

All of this takes an inordinate amount of time. The time delay between the identification and user notification often can be several weeks or more. This makes the notice largely ineffective as an education tool; by the time a user receives a notice, he or she may not even remember downloading the illegal material. In some cases, the subscriber may not have been the offender in the first place.

In contrast, the in-network solution is completely automated, efficiently handles millions of copyrighted works simultaneously, and immediately alerts the ISP when a violation is detected. The ISP's Subscriber Management system can decide what the appropriate response is, and take action to alert the subscriber in a timely manner. This alert can be marketed as a benefit to the subscriber as the ISP alert will protect the user's privacy and not involve outside third parties contracted by the content owners or government. This process leads to effective education of the subscriber before more draconian processes have a chance to be applied.

AUDIBLE MAGIC'S IN-NETWORK VS. OVER-THE-TOP COMPARISON CHART

Feature	In-Network	Over-the-Top
Resides on ISP network	Y	N
ISP in complete control	Y	N
Respects subscriber privacy	Y	N
Provides real-time detection	Y	N
Users get immediate feedback	Y	N
Ability to tailor user interaction	Y	N
Respects opt-in/opt-out choices	Y	N
Supports monetization models	Y	N
Supports legit content sources	Y	N
Deters repeat offenders	Y	N
Lower costs from automation	Y	N
Large rights registry	Y	N