



Cross-Border Digital Impact: Analyzing the Effects of Canada's Online News Act on Internet Fragmentation

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KYLE SHULMAN: I'd like to introduce you to my colleague Paula Bernadi. She's our Senior Advisor for Policy and Advocacy. She'll be facilitating this call today. So Paula, the floor is yours.

PAULA BERNADI: Hi, hello everyone. Thank you so much Kyle for the introduction. I want to welcome everyone today for this call. I have just also a quick agenda to share with you. This is the cross-border impact, analyzing the effects of Canada's online news act on Internet fragmentation webinar. And this is very exciting for us. This is a webinar, as Kyle said, for all the Americas. So we have our North American chapters, we have our LAC chapters all together.

And this is not just a coincidence for sure. This is something that ISOC has been focusing its advocacy on this year, especially on Internet fragmentation with the topic of online news and how it's being proposed in different jurisdictions around the world and especially here in Latin America and in North America.

Today I'm having this very quick introduction because we have the presentations that will be made by Philip Palmer, who is our ISOC Canada representative. We'll then be followed by Juliana Fonteles da Silveira, who is an ISOC Brazil member. And last but not least, Cathy Gellis, who is an Internet lawyer and policy advocate and specialist on this topic. As Kyle said, you can include your questions in the chat and then we'll have a chance to discuss when all the presentations are done.

I'm just going to give a very quick background and timeline introduction to the topic and what we're talking about today. So what we're talking about is legislations that are aimed to force operators of large online platforms to compensate news media for making their content available. This was the base for how these proposals were first introduced in the countries that we're going to talk about today. And the goal of these legislations and proposals would be to provide them financial support to news businesses that have not succeeded in competing with large online platforms for revenue, changing the balance of power market. This is the underlying issue of how this subject was introduced.

And of course, as in the Internet Society, we're looking into these proposals as how they impact or might impact the Internet, fragmenting the Internet and fragmenting also the user experience in the Internet.

So as a timeline, just very quick, 2021, we had in Australia, the News, Media and Digital Platforms Mandatory Bargaining Code that was approved in Australia with this underlying objective. In 2023, and that's where we will have more details with the panelists, we had the approval of the Online News Act in Canada. And we have two ongoing proposals that ISOC is also focusing on its advocacy efforts. One is in the USA, California, it's called the Journalism Preservation Act. And the other one is in Brazil. And it's, it's nickname, it's Copyrights Bill. So this is the framework that we're looking at today. And I'm not going to talk further because we have the specialists today to discuss to bring more information. And we look forward to this very rich discussion we're having today.

Thank you so much. And as the moderator, I'm going to call for Philip Palmer to start his presentation. Philip, the floor is yours.

PHILIP PALMER: Well, thank you very much. Let me just say that the Internet Society in Canada, the Canadian Internet Society, was opposed to the Online News Act, as it was called in Canada.

The Online News Act was conceived, at least, it did not follow very closely, but it was conceived on the Australian model. And it basically is foundationally a governmental shakedown of the major platforms. So an attempt to extract or legacy media revenues that

are deflected into the pockets of Google, Facebook and other major platforms. Canadian legislation was conceived simply to aim at Meta and at Alphabet. So the parent companies of Facebook, Instagram, and Google.

And it basically foundationally believed that the platforms were stealing the value of news content. And that by forcing the platforms into a negotiation with an arbitration process, that the value of news to those platforms could be redirected at the legacy news media, both print media, and as it turned out, broadcast media as well.

So this conception, of course, proved to be in error. The legislation went on the basis that news was so valuable to Google and Meta that there was no way that the two major platforms would be able to disassociate themselves from news in Canada.

A number of experiments were undertaken by both Google and Meta in the course of the lead up to the final parliamentary deliberations on the legislation, which it seems confirmed to those companies that, in fact, they could do without Canadian news. They could block Canadian news quite successfully.

And so when Parliament, in fact, in the end, against the advice of many experts in Canada, enacted the legislation, Facebook immediately dropped news from Canada. And that had two impacts. The first is, of course, that Canadian subscribers to Facebook could no longer access news on that platform. If you sought a news story from Canada, you would get a screen that told you that, sorry, we don't provide news services in Canada. Find some other way to get your news.

Yep. So that was the number one thing that happened. First, Canadian news consumers were deprived of access to news that people in other countries could easily access on the Facebook platform in particular.

The second result of it was that Canadian news organizations, and particularly smaller publications that might have print but couldn't afford major investments in fancy websites, no longer had the benefit of being carried by these platforms. And for a number of them, those were important means of reaching their subscribers, maintaining their viability for advertisers. And so a not insignificant portion of the smaller press news organizations in Canada, community news, etc., lost an important access to their own subscribers. And the Canadian followers of those web pages, the Facebook sites, lost access to that as well.

And this has proved significantly significant, created significant difficulties in rural Canada in particular, as exemplified by the wildfire season that we had last year, where many

communities were threatened, and Facebook access to local news was blocked. And that had some significant impacts on rural and remote communities.

After Meta withdrew, Google said, well, we're also leaving this. News is not a moneymaker for us. We have tested this, and news content, we carry it, people are interested in it, people like it, but nobody's willing to pay for it. And our advertisers actually don't like news, because news carries all kinds of depressing stories, and people really don't want their advertisements carried next to traffic accidents, deaths, murders, and who knows what other afflictions of modern life.

But Google said, but we're open to negotiating. So Google negotiated with the government, and came up with a deal, whereby by putting in \$100 million into the Canadian news industry annually, they will get an exemption from the legislation, will not be forced to go into the arbitration model of bargaining that the Google money will be distributed on the basis of the existing industry structure so that the existing legacy players will get a great deal more money than, for instance, the...

Facebook has left the Canadian news market, still causing problems for both the consuming public and for the news generation business. Google is now running news in Canada. My Google feed always has the Google News beneath it. And people are now just fighting for the spoils as to who gets what share of the \$100 million that's to be divided amongst the Canadian news producers.

That's it. Any questions?

PAULA BERNADI: Thank you so much, Philip. And the questions can be put in the chat and we can then reassess them after everyone has talked.

I'll pass the floor now to Juliana. Juliana has been working with the Brazilian ISOC chapter, especially on a report and a comparative study of such legislations around the world.

Juliana, the floor is yours.

JULIANA FONTELES DA SILVEIRA: Thank you. Good afternoon. I hope everyone can hear me well. Great.

First of all, I'd like to thank ISOC for the invitation and Philip for the speech. It is very interesting to hear Philip's considerations on the Online News Act as we at ISOC Brazil have analyzed briefly the regulation as an improved version of the News Media Bargaining Code, which has been our comparative benchmark.

So, as Paula said, I'm a researcher at ISOC Brazil and along with my colleagues, Pedro also, who I guess is here, and Maria Eduarda, I have developed a research project to investigate the Brazilian proposals on journalism sustainability and compensation of news by digital platforms. The project has three steps. I'd like to present the project here because we analyzed these proposals.

The project has three steps. The first one consists of a comparative analysis of the Brazilian frameworks and the Australian News Media Bargaining Code.

The second one focuses on mapping Brazilian stakeholders involved in the regulatory debate and the interests and values they support.

And the third one will consolidate in an academic paper the paths and pitfalls of the proposals.

So, what we observe in the news compensation regulations globally is that they were the means for which governments aim to exert power over big tech and control these private actors in the information ecosystem.

So, Australian authorities led this movement and have significantly influenced proposals abroad, although major concerns raised in the regulatory debate have not been addressed in these other regulations.

One of the main concerns present in these discussions and submissions to the Australian authorities that I think it's important to highlight here refers to the sustainability of the media. Although the Australian News Media Bargaining Code established some criteria, definitions for media companies and news content might still not accommodate the diversity of media ecosystems and leave out some small companies and self-employed workers from the scope of the legislation.

For example, the code states that a media company must have annual revenues over A\$150,000 to register and become eligible for dues under the code rules, which would benefit large producers of journalistic content and entirely exclude small ones. Additionally, the Australian Code could have been asymmetrically supporting large and traditional news companies to the detriment of smaller news organizations within the negotiations.

The Code determines that the sum of the remunerations freely agreed between the news media and the platform, and the regulation does not set specific terms and criteria for the agreement. Also, the agreements are obscure because they are confidential, so news organizations that have greater economic power, which are the traditional corporations, seem to have also greater bargaining power to negotiate more favorable terms and sums

with platforms. And this opacity of the agreements has been largely criticized in this sense as it endorses imbalances within the media, within different actors that are negotiating with digital platforms.

On the other hand, a pressing concern in the relationship between media and digital platforms in this regulation is established in the Code. The regulation seeks to address some of the potential arbitrariness and interference by platforms in the distribution of news through the use of algorithms, which is one of the key concerns of civil society and other stakeholders that are engaged in the proposals.

So, the Australian Code focuses on transparency and accountability of possible changes to algorithms and determines that such changes and those that impact traffic to news content must be notified to news companies via digital platforms. Also, the legislation creates information obligations for designated platforms under the Code, which must inform about the users' interactions with news content, and this allows news companies to gain some insights into their audience.

Regarding the Brazilian proposal, it should be noted that it was inspired to a large extent by the News Media Bargaining Code and the competition abroad. In Brazil, the proposal to obligate platforms to compensate news first appeared in the regulatory debate within a major proposal to regulate digital platforms, which is the Brazilian Law on Freedom, Responsibility and Transparency on the Internet, or the Fake News Draft View, which reinforces this perspective that these proposals have reason within the movement to regulate big techs.

And yet, firstly, a nature of copyright law similar to the European models, and then after some political disagreements and other proposals, an autonomous draft view rooted in the competition approach of the NMBC gain traction in our legislative.

So, the role of these digital platforms in contributing to the dissemination of this information played a key role in reinforcing the regulatory narrative that the platforms should compensate journalists in Brazil.

This current proposal reflects significant similarities to the Australian Code, but seems not to have addressed some problems of the Code. When it comes to establish, for example, which news content should be compensated, the Brazilian proposal has been largely criticized for its broad category. There is public interest content that meets journalistic ethical standards, since it leaves room for this arbitrariness of platforms and oversight authorities in determining what is public interest content, which ultimately impacts the

determination of what is journalists and what media organizations should be compensated.

So, the claim here is that this broad concept could benefit media organizations that disseminate this information, for example, when not covering regional journalistic initiatives that, for instance, covers the Olympic Games or sports, as this could not be understood as not under the...

So, and please stop me if I'm advancing the time. I'm not controlling here, actually.

PAULA BERNADI: You still have five minutes.

JULIANA FONTELES DA SILVEIRA: Okay.

PAULA BERNADI: Okay.

JULIANA FONTELES DA SILVEIRA: So I'll go on.

So the issue of supporting initiatives that disseminate this information is a key concern among stakeholders in Brazil because, well, definitions of public interest journalists usually fail to offer comprehensive criteria because it changes depending on what entity we're interpreting.

And other major concern here in our proposal is the fair distribution of resources among media organizations and also workers, professional workers, in such a way that we will effectively promote the sustainability of media and support diversity in the content and regarding who is producing. So and this is because our proposal does not mention specifically small producers or initiatives led by minority groups as the Online News Act does.

And then platforms are not subject to constraints when negotiating, which leaves the media industry in the hands of their commercial interests, with interests in prioritizing the content that will be compensated. And although the Brazilian draft bill established some criteria for the sum of the remunerations in the agreement, such as the audience, the content quantity, and the amount of professionals of the organization, the lack of specificity in these other aspects prevents news models and a variety of news projects to receive funds and to develop.

And why the Brazilian proposal nearly copied the NBC, the Australian code, the code's provisions that contribute to more visibility of news industry on the way journalistic content is distributed in the platforms have not been reflected in our draft bill. Our

proposal falls short of ensuring access to data on news audience and on algorithm changes that interfere in content ranking.

The Brazilian model is still under discussion. However, key problems are left unanswered, as this one that I mentioned, and a wide range of actors holds in Brazil that as the Australian regulation, the Brazilian proposal fails to address historical trends of media concentrations and monopoly. And additionally, the NMBC model adopted in the Brazilian proposal raised concerns on the increasing dependency of media production on digital platforms.

So the trend is that these agreements between news media and platforms will be renewed and journalism's revenue source will increasingly depend on them. And this means that the content produced by media outlets will become more convenient and aligned with the platforms in commercial interest to ensure their primary revenue source is guaranteed.

So, okay, I can go on after the questions.

Thank you.

PAULA BERNADI: Thank you so much, Juliana, for your contribution. And it's such an amazing project in comparative studies that you're doing with Australia and Brazil.

And I'll welcome now, Cathy Gellis here to bring her expertise and more focus on what's going on in the debate for link text and such proposals in the USA now.

Welcome.

CATHY GELLIS: Thanks for having me. I am happy to talk about, in particular, the overall concern and why is this bad for the Internet, because this is bad for the Internet.

I do live in California. I am a California lawyer. I am not your lawyer, but I can speak about these things. But I don't think the details of California's law are necessarily the most important thing to follow, to pay attention to. Because I don't think the details of any of these specific laws really matters.

And Zoom thinks I'm speaking Spanish. So is it understanding that I'm not speaking Spanish?

PAULA BERNADI: I think so. I had the same message, yeah.

CATHY GELLIS: Okay, fine. My Spanish is much better than I remember then.

Okay. So I don't think the details necessarily matter because the entire scheme is irredeemable. And it doesn't really matter how they package it up, because they're not going to be able to package it up in a way that is going to avoid the problems.

There can be differences. And having said that, you still want to look in any of these particular bills, like the California version. There's a federal version. Stand by, probably some other state is going to come up with their own version.

You do want to look at what other provisions they're attaching to their bill, because there can be some nasty stuff in those other provisions. And those tend to be what ends up giving the bill the teeth. But even if they came up with a bill that was toothless, you'd still have a problem. Because this is really not an idea that we want to endorse as being something that's possible.

We do want to get journalism supported, but this is an entire dead end with all sorts of bad things that will follow, and you're not going to solve the problem with it anyway. But let's avoid the bad things while we're busy trying to solve the more important problem.

So let me talk about a bunch of the reasons why it is bad.

And the first one I highlighted is the ethos of it. There is something that has been creeping into law and even our public understanding of law and what law should do that I think is kind of poisonous. And it's certainly poisonous to the idea of the open Internet. And that idea is, if somebody is benefiting from something somebody else created, how dare they benefit for free? If you are benefiting, you got to pay. And there's this notion that's creeping into law and creeping into our expectations of what law should deliver that I think is kind of poisonous because that's not the way even copyright law was supposed to work.

And you don't have an open Internet where the open Internet is really dependent on people sharing and being able to find benefits in other places based on other people's expression. And this just kind of is, these two concepts are so foreign to each other that I think one of the things we should take stock of and say, stop, is maybe this is just not a good approach to think that this is something that law should be able to deliver. If people do benefit, that's okay. That's kind of how it's supposed to work.

So then if you were going to say, okay, somebody who's expressive output is being, somebody else is benefiting from, you'd have to have something in law. If they're going to be able to demand payment, what they really need is some sort of right to say that the other person has to stop using it, stop benefiting. And they have to have a legal power to

say, no, stop, and then condition that use on, well, whether you gave me money or not. That's what these link taxes are.

And so for them to work, they have to invent something in law that does not currently exist. And that's the monopoly power of the media entities that are asking for this to have the ability to say, no, you do not have the right to link to me. I have the right to stop you from linking to me unless you pay me or make me happy in some other way. But this generally comes down to money. That does not exist right now. It doesn't exist in copyright.

One of the things that keeps getting kicked around and why link taxes have percolated up in the copyright law space is because there's a term called ancillary copyright where, OK, copyright law wasn't giving the news media the power to say no, because that's not one of the exclusive rights that their copyrights would give them. So we have to make something up. And it's kind of copyright ish. So we might just stick it on to the copyright law that we've got, because it's going to kind of behave in the same way.

But it's this idea that I have created something and I can tell you, no, you don't get to use it unless you pay me. But we have to invent that in order for these link tax schemes to work. And that's not a good idea.

It is not creating monopolies is not a good idea. We only create monopolies for the purpose of benefiting the public. And this isn't about benefiting the public.

You could maybe make the argument that, yes, we keep journalism up and running and that benefits the public. But the point is that the public is supposed to be able to benefit from the expression that's actually been created. And this takes away the ability for the public to interact with that expression because there's now a toll on it because somebody can say no and keep them from getting access to that expression.

It's creating that monopoly right to something that would be new. It's something that's unprecedented. It's something that's inconsistent with the values for why we have copyright. And it's a bad idea because we're just adding monopolies and adding power to people to say no to people being able to interact with online expression.

And that is a big problem. Full stop for the open Internet where we're supposed to have this nice fluidity where expression can flow around and people who need it can get access to it. And just by design, it's trying to obstruct that flow. And it's going to create the power for somebody to be able to obstruct that flow.

But then there's more problems than just that. There's a lot of logistical problems where, OK, let's say media entities have the power to say no. And if they have the power to say no

and say, you can't use my stuff unless you pay me, then what? So how do you figure out who gets paid?

And one thing that some of the other speakers have brought up is that the... You know, this is this is being pushed by a lot of really big media companies who are pretty sure that if a pool of money is collected, it will go to them. It is not quite clear that if a pool of money is collected, that it will go to anybody smaller, any independent media down from, you know, just smaller companies to individual journalists for whom they may actually benefit more from having the most visibility they can possibly have and that having a scheme that might maybe give them pennies is just not going to be enough value to them.

And right now there's an inhibition because if there's a scheme where you can't link to news unless you've paid, they're not going to see the money because they're going to be too small and be maybe that wasn't worth it to them because maybe, you know, it's not worth the pennies for an individual link. If they get more visibility on their website, that's going to turn into opportunities where they can then monetize further and with their own advertising that may have more bang for the buck for them.

But their entire ability to profit the way they would benefit from is now under fire because the big entities have now taken over and decided, no, no, this will be the single business model that news can use when it's being linked to online. And everybody now has to play by those rules, whether it's good for them or not.

And then the other issue is there's a problem. You get a pool of money and then you have to figure out. So there's a couple issues like who negotiates that rate? Is it individual media companies? Is it going to be something that the government does? There's pluses and minuses with each of them.

But I go back to my original point of it kind of doesn't matter because they're both terrible plans and picking one or the other is not going to salvage this proposal. But then if you get a pool of money in some form, especially if it's a state collected one, like a compulsory license, how do you distribute it? Who's doing the distributing it? Who's doing the collecting? Who's doing the distributing?

Because independent artists, independent creators, independent journalists tend to be what's known as the long tail, where like, you know, the big corporate entities earn lots of money. And then as they get smaller and smaller and smaller, there's less and less. But the long tail as it drops down can be very, very, very long where there's an awful lot of smaller voices and they tend to not see money coming out of these schemes. And we know this

from the other compulsory license schemes that we have in the copyright space. So that's not a good plan.

And then we've got some jurisdictional problems where, okay, so we have California now wants to write the rules of the road for the Internet. But California is one of 50 states. That means 49 other states could decide how to write the rules for how the Internet is working. This makes it very difficult for anybody doing, trying to have a business or communicate over the Internet. If you're a platform producing, helping people communicate via the Internet, you're helping them communicate via a ton of jurisdictions. And even if we're just thinking about it in the United States, people from California are talking to people in New York and Texas and Florida and Minnesota. And if each state could write its own rules of the road for, okay, you've got a platform, your platform is reaching into my states. I get to write the rules of the road for what you need to follow. That's going to be a problem because what California thinks should be the rules for the road may not be what Texas thinks should be the rules of the road. And if you're a platform that now has to comply with multiple jurisdictions, how do you pick?

That's an American problem, but it's also a global problem. Because even if we solved, and I use that term loosely, the problem by saying, let's just have the federal American government set the rules for the road. And they've been proposing that with the JCP, the JCPA. We still haven't solved the problem because there's many states, there's nation states. The Internet is not just crossing American state boundaries. It crosses international boundaries. So how does a business that's touching Canada and Australia and Brazil and China and name your country, how do you comply with all of these local jurisdictions? Each jurisdiction may want you to do something different and it's going to collect its own pool of money and it's going to distribute the pool of money differently to different people in different constituencies.

This is a mess. And there is no way to un-messify it. It's not a good idea. And that's why we shouldn't do it if we care about having an open Internet.

And then there's the big thing, and I will wave my American flag here and say, there is a fundamental problem with free expression in terms of what this sort of regulatory solution is trying to impact, which is you have Internet platforms and Internet platforms are facilitating a lot of user speech. But they also have their own expressive rights in how they decide to facilitate that speech. What expression do they want to enable? What expression do they want to make sure that is not on their platform? Some platforms make better decisions than others. This is hard, even for the best intentioned ones. But they generally need their own expressive freedom to be able to decide how to be in the business of

facilitating expression because it's hard and it matters and it matters to how well they'll be able to perform as businesses.

Do they make decisions that alienate all of their users and therefore their advertisers so they can't make money? They need that freedom to be able to make decisions that are appropriate for them and their user base and the people who ultimately help fund that, their businesses. This just impacts it because all of these laws essentially come down to taking away that expression by creating rules about what expression platforms can facilitate. If it no longer gets to say, sure, news.

Maybe we don't like the news, but our users like the news. So okay, fine, we'll go ahead and post some news. They don't get to make that choice because this is a choice where if they want to make it, now there is a barrier and just the fact that they might be able to pay something to get past that barrier.

The thing that we need to care about if we care about the open Internet is that there was a barrier at all. And that's why I'm going back to this idea that it's irredeemable because we cannot be building these barriers and still expect that expression is going to be freely exchangeable around the Internet and that platforms will be able to be available to facilitate what users themselves want to express and the ideas they want to express and the expression they want to express and exchange between people around the globe.

This fundamentally conflicts with the open Internet that we need to be able to have that freedom and make sure that the Internet is really the valuable network that it really can be. This just completely undoes it and details, shmeetails, it's not a good plan.

I'm not in favor of link taxes and I'm glad that the Internet Society is also calling attention to this to say this is not a good idea. It's got problems and it's going to break stuff that we care about.

I'll pass that off to... I think we're up to questions.

Thank you so much.

PAULA BERNADI: We are open to questions and questions can come from the chat.

We have already one, but people can also raise their hands and open their microphones to ask questions.

Hector, do you want to ask your question or should I just read what you wrote?

HECTOR HENRY: My question is, I will use the example of Google. The same way they manage their AdSense system that anybody can have a webpage wherever in the world and reap the rewards of their ads, of Google ads playing on their webpage. And according to the click number, get certain remuneration for those clicks.

Why can't they apply the same for those, for the newspapers or the periodists, I don't know how to say it. Journalists. Okay, journalists that work and have like blogs and generate a certain amount of click back to their webpage.

I don't know if I made myself clear.

PAULA BERNADI: Yeah, do someone want to take that one, Philip?

PHILIP PALMER: Yeah.

Well, I think the reason why you can't work the journalism remuneration the way that you can the advertising remuneration is that it is unclear that the journalism has value to the platforms.

If it were indisputable that news had value to the platforms, it might be possible to conceive such a system and make it work on click basis. But in fact, as many clicks as news may get, it does not bring advertising dollars into Google and Facebook, certainly not sufficient to justify the payout to journalists and news organizations.

That's a fundamental point, I think.

I'm not sure also that the issue is technically, can we figure it out? AdSense is very different. So if somebody clicks on the ad, the advertiser. Okay, so I'll just pick Facebook, not to pick on Facebook, but we can visualize it. So Facebook has decided to allow ads to appear on its site. And so advertisers provide their ads and they will get charged every time that the ad is clicked on, and that will create, okay, a click count, and then you're going to owe us X amount of dollars per click. The issue is, okay, that's a voluntary arrangement because the platforms didn't have to allow advertisers to come on its website and they were able to say, you know, we're going to, if you want to be here, you have to pay to be here.

And that's the arrangement, but it's an arrangement where the advertisers could say yes or no, we don't want to pay, but that's two private actors coming up to an agreement that makes sense for them. What these link tax bills are, it has nothing to do with private actors deciding that there might be value in having their content prioritized. If anything, it flows the other way.

The journalists, the media outlets probably actually would be better off paying the platforms to make sure that people are clicking on their stuff and sending traffic back to the websites that they can control. That's actually a really valuable thing that they're getting and they're getting it for free. And not only are they not happy that they're getting it for free, they now want the platform to charge for doing them this favor. And that's why a lot of the platforms are saying, you know, like Facebook was paying in Australia and now they're not going to keep paying because it's silly.

And that's why like Facebook went out of Canada because it said, well, no, we were doing you this favor by making sure that your expression was visible to people via our platform. We're actually providing you the value. We're certainly not going to pay you for doing you the favor. So they just stopped doing the favor.

And then the Canadian media business lost the value of the favor that Facebook was doing. So they're just very different business relationships. And when you're figuring out who's got the value and how's the money flowing, it's not about counting the clicks. It's about why would anybody pay for something that they don't, they don't need to pay for. And that's not the way the value, the value proposition actually is shaped.

Also, I'd like to add that the... I don't know if this would address the issue because the claims here are much broader than just the use of the link of the journalists and news content and also cross issues on how the whole informational ecosystem was changed by digital platforms. So how this digital transformation of news impacted the information and also impacted journalists, the media producing...

So I guess one of the claims is also that in Brazil, at least, is also that algorithm ranking of information and also this business model of digital platforms can propel some the dissemination of this information in the digital ecosystem and also can downrank news content and polluting the digital, the information ecosystem. So that is why digital platforms should also, that is another reason why digital platforms should, we should have a means through which news should be remunerated, should be compensated, remunerated and also we should promote the sustainability of journalism because of all the scenario of crisis of journalists and media that digital platforms propelled.

So I don't know if the solution of just using the same system of ads would address that, would be effective, besides all these problems that the colleagues already mentioned.

PAULA BERNADI: Thank you, thank you for the answers and I think that we have another question here who talks a little bit about other business models. So Simon Perez from ISOC Chapter Panama asks: I understand that this issue for the world of journalism is very

similar to what is happening in the record industry with artists who use bot farms to provide likes. As far as I understand the way in which independent record labels have handled it has been by focusing their business model on live music and creating 360 concept.

By chance do you know of any original business model that has been used in the world specifically of journalism and does anyone want to take that? Because I think it's also, it's around the underlying issue of news media and how they've been struggling and now trying to find a way through proposals such as the link text to overcome the challenges. We still have some minutes for questions, does anyone?

Yeah, yes please Cathy.

CATHY GELLIS: So this is going back to a couple things that I said. One is talking about copyright and the monopolies that copyright creates and the monopolies that copyright creates affect music, and thus you run into a problem where if you want music to be accessible to people, one of the things that's happening is the development of compulsory licensing systems where the law says okay the copyright holder could say no and keep the music away from you.

But, in certain situations, we will set up some conditions and pre-negotiate that if X happens instead, then the answer has to be yes. But these conditions are going to somehow give something back to the copyright owner, so they don't get to say no. But one of the things that may, you know, ease their ability to say no is that they can't do anymore is they're going to get some money.

And there's different ways these things are set up and arranged, but we see it for online music. We saw it in the American space with webcasting royalty rates where the government set it up. And there's other forms of compulsory licensing that happen in the music space. They are in some ways handy because they keep things accessible that it takes away the copyright owner's ability to say no.

But it does have the same long tail problems and there's issues with it. Who sets the rates? Are they independently negotiated? Does the government end up negotiating that? They're not the panacea that I think some people think they are.

They have some nice upsides, but they've also got some downsides and they don't solve the problem. And it's a problem that should not exist in the journalist space because their copyrights and their journalism shouldn't allow them to say no to linking. They can say no

to having their full articles copied, but that's not what we're talking about. That's what the copyright would protect.

To say that there can't be a link either or snippets, which normally would be considered fair use under American copyright law. That is a huge change. They can only build a revenue model if they can say no to links and snippets being exchanged. And they don't have the right from copyright law to be able to say no. And we shouldn't be creating them any form of power for them to say no.

So whether we want to figure out if we do create the monopoly right for them, then we can talk about, well, do we have a compulsory license system? That would then sort of make it that they have to say yes from time to time as long as they get money. But the problem is they shouldn't have the power to say no. They don't currently and we'd be making one. And that's not a good idea.

And then the 360 degree deals tend to be really unfortunate for the independent artists who end up getting very owned in terms of their entire monetization potential by whoever they've done a deal with, that that person will give them some money in exchange for all the potential benefit and profit that they can come up with later. And it would really be much better if they could control their own stuff.

And that applies to like independent journalists who would probably prefer to have the traffic come to their sites where they can develop their own profit models that are appropriate for them and their audiences. And having a scheme like this really interferes with their ability to do it.

So not a fan of compulsory licensing systems, not a fan of 360 deals, and definitely not a fan of creating a new monopoly right that would give journalists the power to say no to snippet sharing and link sharing.

PAULA BERNADI: Thank you. Thank you, Cathy.

I'll start wrapping up because conscious of time, we have only a few minutes. And I would like to thank again the three panelists that we had here. I would like to thank all the people that joined the webinar and the people that are listening to this on the recording.

I'll just couple my wrap up with both Nico's and Kyle's questions. Because the Internet Society, as I said in the beginning, is working, has worked, as Philip said, tirelessly in Canada against the online news bill and still following up the impacts of the Online News Act and concerns of how to maintain the Internet as an open, interconnected, safe and trustworthy tool for everyone. And we have, in the case of Canada, produced an Internet Impact Brief

where we state how specifically the Canadian proposal impacts the Internet way of networking. But, as Cathy said, this doesn't depend on the details of each legislation. And I think the IIB that the Internet Society structured shows that very much.

We're going to also release in a couple of weeks a fact sheet where we make a more general approach on how these proposals actually affect the Internet. And to Nico's question, this will be a tool that we are proposing to the community. Wherever these types of proposals come up and we have seen they're populating. And as Juliana's presentation showed, these are somewhat copy and paste to jurisdictions that are very much not similar in their legal system.

So this is also something to worry about. And this fact sheet will for sure bring tools to the community to advocate against these proposals that will for sure affect the open Internet and the Internet way of networking.

Right to the point and to the hour. Thank you so much, everyone.

Kyle, do you want to say a few words before we end?

KYLE SHULMAN: Yeah. So thank you, everyone, for joining. Thank you, our guests. This is a really energetic conversation and I think we've really set the scene here. I guess next step, Paula, is what can we do to stop this? And I guess we'll follow up with more opportunities or advocacy that what you can do. But as we are at close, I just thank you all for attending.

I think there's a great kind of viewpoint this time of traditionally being a regional specific call or regional issues to kind of cross region or have a Pan American call. I think this was a really cool scene today. So thank you all.