

# The Aereo dilemma & copyright in the cloud



# WP3A (Start 02/06/2014 - End 03/09/2014)

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# **Summary**

Aereo is a 'cloud-based' start-up that enables people to watch TV on tablets & smart phones. It was sued by broadcasters over copyright & lost in the US Supreme Court. The dilemma - a ruling to shut it down using copyright law, could threaten innovation in the cloud. This paper investigates the case & what it means for cloud providers. It finds that both technical design & substantive effect can matter.

#### **Research Questions**

- 1. Does the technical design matter in copyright liability cases?
- 2. Is the technical design or the substantive effect more likely to be the determining factor?
- 3. Drawing on the US court ruling and legal argument, are there any insights from the Aereo case for EU cloud service providers?

#### Challenges

A/ Inter-disciplinary - law, media & technology policy expertise & methods— the case involved copyright law, applied to TV broadcasting, based on technological arguments
B/ Jurisdiction — comparison of legal position under US & EU copyright law & intermediary liability provisions, given the technological complexities in Aereo's system.

# **Progress & Deliverables**

Deliverables - 1 CREATe Working Paper, 4-6000 words, for publication on CREATe website & submission to journal; plus 1 news story.

Commissioned 2/06/2014. News story delivered 23/06/2014 (same day as US court ruling). First full draft delivered on deadline 01/08/2014
Minor corrections done 03/09/2014

#### Value Added

Proactive & responsive: Fast delivery in response to current copyright litigation & important landmark case

#### **Unexpected Outcomes:**

A/ How cloud liability decisions will have business model consequences.
B/ Public policy may need to re-calibrate the copyright balance to encompass disruptive cloud technologies







