January 29, 2021

The Honorable Thom Tillis Committee on the Judiciary Subcommittee on Intellectual Property U.S. Senate 224 Dirksen Senate Office Building Washington DC 20510 ATTN: Bryan Palmer

Dear Senator Tillis, Senator Coons, and Members of the Subcommittee,

Thank you for your questions for the record from the Committee on the Judiciary, Subcommittee on Intellectual Property's December 15, 2020 virtual hearing entitled "The Role of Private Agreements and Existing Technology in Curbing Online Piracy." Per your request, attached are the answers for the record to your questions.

Sincerely,

Facebook, Inc.

1 HACKER WAY MENLO PARK, CA 94025



#### **Questions from Senator Tillis**

1. I've heard that the current notice-and-takedown system in section 512 casts a shadow over most interactions between copyright owners and online service providers – including any negotiations. If section 512 is re-written, how do you think that would change the pervasiveness of voluntary agreements and the types of voluntary agreements that copyright owners and service providers are willing to enter into?

Section 512 is one of the many ways in which platforms and rights holders interact. We believe that section 512 of the DMCA has succeeded both in striking the correct balance between copyright owners, online service providers, and users, and in creating a flourishing online marketplace for content based on cooperation between rights holders and platforms. section 512 has allowed and encouraged Facebook to work collaboratively with rights holders to develop state-of-the-art technology and tools that enable rights holders to manage their content on our platforms.

We have signed agreements with members of the music industry to enable new musicrelated experiences for users, artists, and songwriters on Facebook and Instagram. This includes a licensing program that currently covers the majority of music rights holders in over 90 music markets, including the US, UK, France, Germany, and Australia. We have this program because we believe there's value for Facebook, music rights holders, and our users when we enable people to freely express themselves and connect with others through music.

While creative, copyrighted content is just one part of our overall platform, our partnerships and content licenses contribute three billion dollars or more a year globally to entertainment, music, news, sports, gaming, and other media. And that's on top of the value that Facebook's distribution and off-platform monetization opportunities provide rights holders.

As another example of our collaboration with rights holders, we built and have further enhanced our scaled content management and matching tool, Rights Manager, based on feedback and input from all types of rights holders. Rights Manager is a video-, audio-, and imagematching tool that we developed for creators to identify content on Facebook and Instagram, including Live videos, that matches rights holders' copyrighted content. Rights holders of all sizes—from individual creators to television and movie studios, sports leagues, certain music entities, and others—can have access to Rights Manager subject to a simple application process where eligibility criteria are assessed.

The large number of productive voluntary relationships with rights holders that Facebook enjoys as a result of this tool demonstrates that section 512 has not stood in the way of voluntary agreements—whether to combat infringement or to license new and creative uses of content but encouraged them. By eschewing specific prescribed procedures or technologies, the statute has allowed for adaptation to evolving circumstances and has given service providers and rights holders flexibility to develop voluntary protocols consistent with those circumstances and relevant needs. Additionally, any attempt to devise a prescriptive list of standard technical measures could prove ineffectual, because they are vulnerable to obsolescence as different, more effective tools are developed.

#### 2. How has Facebook worked with copyright owners to develop its anti-piracy efforts? What does Facebook consider when evaluating a potential voluntary agreement?

Facebook is committed to developing tools and programs that help rights holders more effectively identify and report potentially infringing content. In some instances, our tools eliminate the need for rights holders to report any content at all. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. For that reason, we continue to work closely with rights holders, and we have developed many of our tools and programs cooperatively with them. As rights holders use the tools, they tell us what features they find most useful, and what they want to see more of. This collaboration has enabled continuous enhancement of Facebook's policies and procedures over the years and is a central component of our approach to stopping copyright infringement, as it provides insight into trends and developments that we address through our enforcement measures.

This constant communication with rights holders has also allowed us to invest in proactive measures to identify and remove infringing activity entirely on our own—typically before a report from a rights holder is ever even submitted. We're working to test new approaches to this challenge using technologies like machine learning. Our partnerships have informed other measures as well, like our work to stop the spread of third-party links dedicated to infringement on our platform, and to remove content related to devices that facilitate illicit streaming of copyrighted material.

In addition to the agreements discussed in our response to your Question 1, we have also partnered with a wide range of established rights holders, including movie studios, television networks, broadcasters, digital media publishers, and sports leagues, to help them gain visibility, reach new audiences, and experiment with new offerings, including, for example, social-first productions. And we are focused on supporting emerging creators, working closely with them to understand what they need to be successful on Facebook and Instagram. Our efforts have included helping creators engage and grow their community, manage their presence, and build their businesses on our platforms.

Many of our partnerships have resulted in new features. For example, we continue to enhance in-stream ads with new features and functionality to support monetizing more types of video content, and we've expanded the availability of fan subscriptions, Stars, and Paid Online Events so that fans can support their favorite creators.

## 3. I'm familiar with Facebook's Rights Manager program. Can you talk about the types of other tools Facebook provides copyright owners to protect their content and any value you think these tools provide creators?

We have invested significantly in supporting rights holders via our comprehensive IP protection work. This work begins with our policies. Facebook's Terms of Service and Community Standards, as well as Instagram's Terms of Use and Community Guidelines, prohibit users from posting content that infringes third parties' IP rights. And we have detailed

Intellectual Property Help Centers for both Facebook and Instagram, where users and rights holders can learn more about our policies and procedures.

We are committed to developing tools and programs that help rights holders more effectively identify and report potentially infringing content. In some instances, our tools eliminate the need for rights holders to report any content at all. It can be difficult for Facebook to independently identify what content a rights holder may believe infringes their rights without input from the rights holders themselves. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. That said, we have developed many of these tools and programs cooperatively with rights holders. This collaboration has resulted in enhancements to Facebook's policies and procedures over the years.

Our collaboration with rights holders is a central component of our approach to stopping IP infringement, as it provides insight into trends and developments that we address through our enforcement measures. As mentioned in our response to your Question 2, our collaboration with rights holders has also allowed us to invest in proactive measures to identify and remove infringing activity entirely on our own—typically before a report from a rights holder is ever even submitted.

Additionally, to ensure quick and accurate handling of IP reports submitted under the DMCA, we provide dedicated channels for rights holders to report content that they believe infringes their rights. These include custom online reporting forms dedicated to copyright and other IP violations, through which rights holders can report different types of content they believe are infringing, including individual posts, photos, videos, or advertisements, as well as entire profiles, accounts, Pages, Groups, or Events. We also allow for rights holders to report multiple pieces of content in a single report, further enhancing and streamlining the reporting process.

Each report submitted by a rights holder is processed by our IP Operations team, a global team of trained professionals who provide around-the-clock coverage in multiple languages, every day of the year. If a report is complete and valid, the team will promptly remove the reported content—typically in less than 24 hours, and often within hours or even minutes. If any information is missing, or if the team needs to clarify anything, more information may be requested, and rights holders can communicate directly with the team via email in those situations. We believe that this manual processing is important in striking the right balance to ensure that rights holders have clear and effective processes for enforcing their rights, and that content is removed only in response to complete and valid reports, to help safeguard users' lawful free speech rights.

When we receive a report of infringement in a specific post, we do not limit our review to the individual post, but in appropriate circumstances instead look at the entire account, Group, or Page to determine whether it is dedicated generally to infringing activity. Where such an account, Group, or Page is dedicated to infringing activity, we will disable the actor even if the rights holder has reported just a single piece of content. In addition to outright removals, we may take other actions, including prohibiting the posting of content for a set period of time or, in the case of repeat infringers, disabling their Facebook or Instagram accounts, as appropriate.

Although we continue to look for ways to get better, our notice-and-takedown process has been helping us steadily improve our enforcement against IP-infringing content on our platforms. In general, we take removal action on 80-85% of reports that we receive. In the first six months of 2020, we took down over 2.5 million pieces of content from Facebook, and over 1.2 million pieces of content from Instagram, based on copyright reports.

## 4. Will you commit to making Rights Manager, and any other program you develop to protect the content of copyright owners, available on fair, reasonable, and nondiscriminatory terms? If not, why not?

Rights holders of all sizes—from individual creators to television and movie studios, sports leagues, certain music entities, and others—can have access to Rights Manager, subject to an application process where eligibility criteria are assessed. We steadily develop Rights Manager with the active assistance of many different types of rights holders. We are continuing to expand its offerings, and our teams onboard new rights holders on a weekly/continuous basis. For example, as early as 2018 we publicly announced that Facebook would accept applications within Rights Manager from the creator community, further helping these smaller rights holders control where and how their original content appears on Facebook. Since then, we've continued to develop Rights Manager to meet the growing needs of rights holders of all varieties. In 2020, for example, Facebook announced Rights Manager for Images: a new version of Rights Manager that uses image-matching technology to help creators and publishers protect and manage their image content at scale. Importantly, use of Rights Manager is free for any rights holder.

## 5. Section 512 contains a requirement that OSPs accommodate and not interfere with standard technical measures (or STMs). Why is it that after 22 years, industry still has not identified a single STM?

One of the strengths of section 512 is the flexibility and breathing room it has provided to online service providers and rights holders to cooperate with each other in innovative ways to combat online infringement, based on the individual needs of creators with respect to the specific types of platforms. There is no "standard" platform or "standard" rights holder, which is why Facebook invests in bespoke, constantly evolving measures that serve the specific needs of specific rights holders and account for how Facebook and Instagram function as platforms. In Facebook's experience, this cooperation has resulted in numerous improvements and enhancements to its anti-infringement policies and practices that might not have arisen had online service providers instead been subject to a host of mandated, industry-wide STMs that would not have taken into account the evolving needs of all stakeholders. Rights Manager, discussed in response to your Question 1, is a leading example of such an improvement.

## 6. When an OSP develops a technology beneficial for combating piracy, what obligation is there – or should there be – for other OSPs to develop, or acquire, similarly effective tech?

Every platform is different, with different types of content, different functionality, different user behavior, etc. Different platforms also face different kinds of infringement challenges, so what works for one platform will not necessarily work for another. For the reasons discussed in response to your Questions 5 and 7, OSPs retain the flexibility to implement

solutions that are necessary and appropriate for their particular circumstances and have the flexibility to work with rights owners to combat online infringement in a way that fits their particular circumstances.

The flexibility afforded by section 512 has properly allowed for the relevant stakeholders to adapt their practices in ways consistent with their resources, while also staying in compliance with DMCA requirements. Indeed, even at the time the DMCA was enacted, there was already an array of services operating at different scales. The DMCA procedures worked effectively at that time and continue to do so today, even as "the variety and quality of services on the Internet [has] expand[ed]." S. Rep. No. 105-190 at 2.

#### 7. The Copyright Office has been trying to encourage development of STMs – do you think these will prove successful? If not, what would help the Copyright Office?

In our experience, in appropriate circumstances, governments can play a convening role in various useful ways—especially to help members of the copyright ecosystem share feedback, lessons learned, and best practices.

This does not require alteration to the voluntary nature of the current regime, which allows for and encourages experimentation and cooperation with rights holders to continue to explore new solutions. Indeed, developing and mandating technical measures to be employed by either rights holders or service providers would be misguided. Given the importance of rights holders and service providers having the latitude to experiment and innovate with antiinfringement techniques, such mandates would be unduly limiting. In particular, service providers should be allowed and encouraged to cooperate with rights holders and to experiment with additional measures without fear that doing so will impose a legal obligation to continue using those measures.

By eschewing specific prescribed procedures or technologies, section 512 has allowed for adaptation to evolving circumstances and has given service providers and rights holders flexibility to develop voluntary protocols consistent with those circumstances and relevant needs. The history of such innovations provides reason to believe they will continue to do so even without government mandates.

## 8. Does Facebook profit in any way—either directly or incidentally—from copyright piracy on its platform? If so, will you commit to working with copyright owners to return any such profits, direct or incidental? If not, why not?

At Facebook, we take creativity, copyright, and other IP rights incredibly seriously. We also understand that online piracy is a significant problem—one that transcends any one platform, or any one country. And we're acutely aware of the negative effect it can have on the many creators around the world whose work can be stolen and illegally shared. That's why we are so focused on tackling this issue in creative, far-reaching, and effective ways.

For example, rights holders that participate in Rights Manager can upload reference files of their copyrighted content directly into Rights Manager. Thereafter, when a match to a user's uploaded video is detected, the rights holder can decide what action to take on that matching video, depending upon the rights holder's particular needs and circumstances. These actions include the capability to block the content from being viewed by anyone other than the uploading user or to claim ad earnings from that video.

People and Pages can also place in-stream ads throughout their videos and earn money when the videos are watched on Facebook. If someone uses a rights holder's copyrighted content in their video, the rights holder may be able to use Rights Manager to collect a share of ad earnings from any in-stream ads inserted into the videos.

Likewise, as mentioned in our response to your Question 1, we have numerous partnerships and licenses with entertainment, music, news, sports, gaming, and other media companies globally.

#### **Questions from Senator Coons**

- 1. Testimony at last week's hearing suggests that voluntary measures have not sufficed to combat widespread digital piracy. Some have suggested that the federal government should play a role in establishing, regulating, mediating, or otherwise overseeing standard technical measures, best practices, or other currently voluntary arrangements designed to prevent the unauthorized distribution of copyrighted works.
  - a. Should the federal government serve a role in connection with such standard technical measures, best practices, or other currently voluntary arrangements?
  - b. If Congress were to conclude that the federal government should play a role, what role should that be, and what entity is best-positioned to serve in that capacity?
  - c. Are there non-governmental entities that would be equally or better situated to serve in this role? If so, how would you suggest that we incentivize them to do so?

We recognize that online piracy is a significant problem—one that transcends any one platform, or any one country. And we're acutely aware of the negative effect that piracy can have on the many creators around the world whose work can be stolen and illegally shared on Facebook and elsewhere. That's why we are so focused on tackling this issue in creative, far-reaching, and effective ways. The current DMCA framework has enabled our work in this area.

Service providers should be encouraged to cooperate with rights holders and to experiment with anti-infringement measures voluntarily, as is the case under the current statute. The flexibility afforded by the section 512 safe harbors has greatly enhanced Facebook's ability to explore this terrain.

We believe that Facebook and Instagram should empower content creators of all types. And we collaborate frequently with rights holders in order to do so. For example, our collaboration with rights holders has allowed us to invest in proactive measures to identify and remove infringing activity entirely on our own—typically before a report from a rights holder is ever even submitted. We're working to test new approaches to this challenge using technologies like machine learning. Our partnerships with rights holders have informed other measures as well. These include steps we have taken to stop the spread of third-party links dedicated to infringement on our platform, as well as to remove content related to devices that facilitate illicit streaming of copyrighted material.

In our view, this voluntary collaboration with rights holders is the most effective way to address online piracy—more so than, for example, new measures required by the federal government. These partnerships enable us to continuously tailor our measures to rights holders' specific feedback, ensuring effective enforcement and, where enforcement needs to be improved, efficient dialogues aimed at such improvement. Moreover, it is rights holders, rather than any other entity, that best know the scope of their rights, and what may constitute infringements.

The voluntary nature of the current regime allows for, and encourages, experimentation and cooperation with rights holders to continue to explore new solutions. By eschewing specific prescribed procedures or technologies, the statute has allowed for adaptation to evolving circumstances and has given service providers and rights holders flexibility to develop effective voluntary protocols consistent with those circumstances and relevant needs. If Facebook were instead required to adopt particular standard technical measures prescribed by the federal government or a designated non-government entity, especially at risk of liability, it would be much more difficult to experiment with new tools that may or may not work (or not work as well as envisioned), which is a necessary part of the process of continuing to develop the most effective responses to rapidly evolving infringement challenges. If such procedures were voluntary, platforms could retain the flexibility to implement solutions that are necessary and appropriate for their particular circumstances. Additionally, any attempt to devise a prescriptive list of standard technical measures could prove ineffectual, because they are vulnerable to obsolescence as different, more effective tools are developed.

- 2. Much of last week's testimony focused on the role of social media platforms and content owners in policing digital piracy. Some voluntary agreements designed to thwart online copyright infringement have also involved domain name registries, payment processors, and advertising networks.
  - a. Among these industries, who do you believe has been most effective in voluntarily combating digital piracy, and who should do more?
  - b. Are there additional entities that are playing or should be playing a role in voluntarily combating digital piracy?

Facebook's primary experience with copyright infringement-related responses to digital piracy is in its capacity as a social media platform. Facebook has worked cooperatively with rights holders to develop tools and programs that help rights holders more effectively identify and report potentially infringing content. This collaboration has resulted in many enhancements to Facebook's policies and procedures over the years and is a central component of our approach to stopping IP infringement. In regard to any questions related to potential infringement on Facebook, we believe that platforms and rights holders, working together, are best positioned to address those matters.

3. We heard testimony about YouTube's Content ID, Facebook's Rights Manager, and other software tools available to match user-posted content against databases of copyrighted material. Some have expressed concerns that requiring all platforms to use such tools would be unduly burdensome and serve to entrench larger, more established platforms. How do you suggest that we make this type of anti-piracy technology available to all creators without stifling innovation?

Section 512 has succeeded in striking the correct balance between copyright owners and online service providers, which has allowed the digital economy to grow and has afforded relevant stakeholders the flexibility to develop DMCA-compliant practices and mechanisms consistent with their resources.

Each platform, of any size, is best-placed to identify its own technological needs. Identifying the most effective tools against infringement will depend on the specific type of content, the structure of the platform, the cooperation of the rights holders, and other unique variables. For example, Facebook's Rights Manager tool is embedded in the unique structure of Facebook's platform. It is also available to a wide variety of rights holders, from smaller creators to large entities.

# 4. Some witnesses warned that voluntary agreements can exclude and disadvantage smaller entities in the creative ecosystem, including creators and content owners, internet users, and internet platforms. If voluntary anti-piracy agreements are to remain truly voluntary, how do we ensure that everyone has a seat at the table?

Our collaboration with rights holders is a central component of our approach to stopping copyright infringement on Facebook, as this collaboration provides insight into trends and developments that we address through our enforcement measures. As part of this collaboration, we work with a wide variety of rights holders, including smaller creators.

As just one example of our collaboration, we built and have further enhanced our scaled content management and matching tool, Rights Manager, based upon feedback and input from all types of rights holders. Rights Manager is a free video-, audio-, and image-matching tool that we developed for creators to identify content on Facebook and Instagram, including Live videos, that matches rights holders' copyrighted content. Rights holders of all sizes—from individual creators to television and movie studios, sports leagues, music entities, and others—can have access to Rights Manager, subject to a simple application process.

Our work with creators takes many forms. We have also partnered with a wide range of established rights holders, including movie studios, television networks, broadcasters, digital media publishers, and sports leagues, to help them gain visibility, reach new audiences, and experiment with new offerings, such as social-first productions. And we are focused on supporting emerging creators, working closely with them to understand what they need to be successful on Facebook. Our efforts have included helping creators engage and grow their community, manage their presence, and build their businesses on our platforms.

Our solutions are also designed with users in mind—in particular to ensure that they are educated about our copyright policies, that they have an opportunity to appeal a decision on infringement that they think is not legitimate, and that their user experience is positive. We believe this approach is important because users also are important stakeholders in the fight against online piracy.

#### **Questions from Senator Hirono**

- 1. At the hearing, you testified that Facebook is "testing machine learning techniques to detect and remove copyright violations without an IP report or other involvement from right holders."
  - a. What is the status of this testing?

#### b. When does Facebook anticipate broadly deploying this technology on its platform?

We have invested in—and we continue to develop—numerous proactive measures aimed at preventing IP infringement on our services. The machine learning techniques we're testing are just one of those measures, and that work is ongoing. To date, we have seen success with these techniques especially when it comes to removing actors who are dedicated to promoting infringement from our platforms.

More broadly, we are committed to developing additional tools and programs that help rights holders more effectively identify and report potentially infringing content. In some instances, our tools eliminate the need for rights holders to report any content at all. It can be difficult for Facebook to independently identify what content rights holders may believe infringes their rights without input from the rights holders themselves. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. That said, we have developed many of these tools and programs cooperatively with rights holders. This collaboration has resulted in enhancements to Facebook's policies and procedures over the years. Our collaboration with rights holders is a central component of our approach to stopping IP infringement, as it provides insight into trends and developments that we address through our enforcement measures.

As just one example of this collaboration, we built and have further enhanced our scaled content management and matching tool, Rights Manager, based on feedback and input from all types of rights holders. Rights Manager is a video-, audio-, and image-matching tool that we developed for creators to identify content on Facebook and Instagram, including Live videos, that matches rights holders' copyrighted content. Rights holders of all sizes—from individual creators to television and movie studios, sports leagues, music entities, and others—can have access to Rights Manager, subject to a simple application process.

#### **Questions from Senator Blackburn**

#### 1. How do anti-piracy technologies like Rights Manager assist copyright owners and what are the limitations of the technology?

Facebook is committed to developing tools and programs that help rights holders more effectively identify and report potentially infringing content. In some instances, our tools eliminate the need for rights holders to report any content at all. It can be difficult for Facebook to independently identify what content rights holders may believe infringes their rights without input from the rights holders themselves. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. That said, we have developed many of these tools and programs cooperatively with rights holders. This collaboration has resulted in many enhancements to Facebook's policies and procedures over the years. Our collaboration with rights holders is a central component of our approach to stopping IP infringement, as it provides insight into trends and developments that we address through our enforcement measures.

As just one example of this collaboration, we built and have further enhanced our scaled content management and matching tool, Rights Manager, based upon feedback and input from all types of rights holders. Rights Manager is a free video-, audio-, and image-matching tool that we developed for creators to identify content on Facebook and Instagram, including Live videos, that matches rights holders' copyrighted content. Rights holders of all sizes—from individual creators to television and movie studios, sports leagues, music entities, and others—can have access to Rights Manager, subject to a simple application process where eligibility criteria are assessed.

Once approved, participating rights holders can upload reference files of their copyrighted content directly into Rights Manager. Thereafter, when a match to a user's uploaded content is detected, the rights holder can decide what action to take on that matching content, depending upon the rights holder's particular needs and circumstances. These actions include the capability to block the content from being viewed by anyone other than the uploading user. In some instances, if a rights holder chooses to block all content matching certain criteria, it can significantly reduce their need to submit future reports (though users maintain the ability to dispute blocks where appropriate).

Rights Manager gives rights holders many other options as well. For example, instead of blocking content, rights holders may choose to monitor it for insights about how their content is performing on the platform—consistent with rights holders' desire to understand the current and potential audience for their content. Alternatively, many rights holders choose to place a banner on matching user videos that links to a promotional destination of their choice, or they can claim ad earnings from the video (which allows them to gain the revenue that is generated from ads that may run on the matched video). Importantly, use of Rights Manager is free for rights holders.

Users of Rights Manager can even add trusted partners and properties to protect those partners and properties from having their content matched by their Rights Manager account. Facebook maintains a detailed Help Center that provides further information on the functioning and practices of Rights Manager, available at <u>https://www.facebook.com/business/help/1548693938521733</u>.

Our collaboration with rights holders has also allowed us to invest in proactive measures to identify and remove infringing content on our platforms entirely on our own—typically before a report from a rights holder is ever even submitted. We're working to test new approaches to this challenge using technologies like machine learning. And our partnerships have informed other measures as well. These include steps we have taken to stop the spread of third-party links dedicated to infringement on our platforms, as well as to remove content related to devices that facilitate illicit streaming of copyrighted material.

### 2. What issues burden copyright owners in enforcing their rights despite assistance from Facebook's anti-piracy technologies?

We are committed to continuously developing tools and programs that help rights holders more effectively identify and report potentially infringing content. In some instances, our tools eliminate the need for rights holders to report any content at all. Of course, it is difficult for Facebook to independently identify what content rights holders may believe infringes their rights without input from the rights holders themselves. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. That said, our collaboration with rights holders has resulted in many enhancements to Facebook's policies and procedures over the years. This collaboration is a central component of our approach to stopping IP infringement, as it provides insight into trends and developments that we address through our enforcement measures.

### **3.** Does Facebook participate in any formal industry agreements to reduce piracy through user education and enforcement efforts?

Facebook works with many partners in different ways. In conjunction with our IP enforcement efforts, we prioritize education, which manifests itself in several ways. First, when content is removed based on an IP report, a notification is sent to the reported user at the time of removal, providing information about the report, the reporting party, and the violation that occurred. Notably, users are also informed of our repeat infringer policy and are told that if they continue to post infringing content, further actions will be taken, including potentially disabling their account. We believe these notifications are essential to make clear to determined bad actors that we have no tolerance for infringement and, on the other hand, to possibly rehabilitate users who had an inadvertent or isolated instance of infringement.

We also maintain a detailed Intellectual Property Help Center that can be found at <u>https://www.facebook.com/help/intellectual\_property</u>. This help center provides information to users and rights holders about IP and our policies and procedures and is regularly updated. Likewise, we publish a regular transparency report with information about our IP enforcement measures and corresponding data. The most updated version of the report can be found at <u>https://transparency.facebook.com/intellectual-property</u>.

Our collaboration with rights holders has also allowed us to invest in proactive measures to identify and remove infringing activity entirely on our own—typically before a report from a rights holder is ever even submitted. We're working to test new approaches to this challenge using technologies like machine learning. Our partnerships have informed other measures as well. These include steps we have taken to stop the spread of third-party links dedicated to infringement on our platform, as well as to remove content related to devices that facilitate illicit streaming of copyrighted material.

#### 4. How should Congress intervene to update Section 512 of the Digital Millennium Copyright Act of 1998 to improve the copyright ecosystem?

The current section 512 has created a balanced framework for IP protection on the Internet. The limitations on liability offered by section 512 have allowed Facebook to provide a global platform for entities and individuals to exchange information of all kinds without the potentially paralyzing risk of copyright infringement liability. At the same time, Facebook's robust notice-and-takedown program has effectively and efficiently allowed for prompt resolution of section 512 notices. In addition, by eschewing specific prescribed procedures or technologies, the statute has allowed for adaptation to evolving circumstances and has given service providers and rights holders flexibility to develop voluntary protocols consistent with those circumstances and relevant needs. We thus believe that section 512 as presently constructed codifies the optimal balancing of responsibilities for addressing online infringement and has worked as intended to further Congress's goal of fostering the development of a thriving internet, to the benefit of the general public.

In our view, amendments to the statute, if any, should focus on furthering the robust voluntary cooperation that is already occurring between Facebook and rights holders. Unnecessary revision of the carefully calibrated structure of section 512 could undermine the incentives currently fostered by the DMCA for online services, both on their own and in collaboration with rights holders, to flexibly explore and implement tools best suited to combating online piracy.

## 5. No standard technical measures been adopted in the 22 years since the DMCA was enacted. Are there aspects of Rights Manager that could be adopted as standard technical measures?

As described in response to your Question 1, Rights Manager was developed by Facebook, in consultation with rights holders, to address the particular circumstances of the Facebook and Instagram platforms, and to allow rights holders to decide how files that match their content should be handled on Facebook and Instagram (blocked, monitored, monetized, etc.).

As far as requiring standard technical measures, we believe that the voluntary nature of the current regime allows for, and encourages, experimentation and cooperation with rights holders to continue to explore new solutions that work best for a particular platform to combat infringement. Given the importance of rights holders and service providers having the latitude to experiment and innovate with anti-infringement techniques, prescribing aspects of Rights Manager as STMs would be unduly limiting and could lessen the appetite of OSPs of all types to experiment with tools that might work better on their platforms.

6. How can private agreements led by Facebook to deploy anti-piracy technology be structured to ensure fairness towards independent musicians and filmmakers who are not party to those agreements?

Please see the response to your Question 1.

7. Even if less well-known artists are later given access to Facebook's anti-piracy technology but are not parties to the original agreements structuring the use of such technology, what ability will those non-party stakeholders have to be part of designing voluntary solutions that work for small as well as large entities?

Based on feedback from smaller rights holders, Facebook has continued to make Rights Manager available to rights holders of all sizes. These range from individual creators to television and movie studios, sports leagues, music entities, and others—all of whom can have access to Rights Manager, subject to a simple application process to determine eligibility. As a result, the product is tailored to the needs of both small and more robust creators.

8. In the electronic dance music scene, also known as EDM, DJs commonly take previously copyrighted music tracks and mix these songs with beats to create more energetic music for dancing. Recent examples include Calvin Harris' remix of Rihanna's "We Found Love," a remix that was mixed yet again by R3hab. In the mixing process, DJs typically seek and obtain the proper licensing permissions from the original copyright owner. What happens when Facebook's algorithm is not sophisticated enough to detect licensed, copyrighted material, such as music found in an electronic DJ's set?

It can be difficult for Facebook to independently identify what content rights holders may believe infringes their rights without input from the rights holders themselves. Indeed, only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree.

That said, we have developed many of our tools and programs cooperatively with rights holders in an attempt to be as accurate as possible, while recognizing real-world limitations. This collaboration has resulted in enhancements to Facebook's policies and procedures over the years.

The Rights Manager tool discussed in previous responses is one example of how we take action based on feedback and input from all types of rights holders. Rights Manager allows rights holders to authorize certain people or Pages to post videos that match their content. Videos posted by people or Pages they authorize won't come up as matches in Rights Manager. Rights holders can grant permission at the Page level and give people, Pages, or Instagram accounts blanket permissions to post any content they manage through Rights Manager. Rights holders can also create more granular permissions by granting people or Pages permission to post only certain videos where they own exclusive rights. 9. Is it correct to say that Facebook's algorithms cannot produce absolute 100% accuracy in recognizing and taking down copyrighted content?

We are committed to continuously developing tools and programs that help rights holders more effectively identify and report potentially infringing content. In some instances, our tools eliminate the need for rights holders to report any content at all. Of course, it is difficult for Facebook to independently identify what content rights holders may believe infringes their rights without input from the rights holders themselves. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. That said, our collaboration with rights holders has resulted in many enhancements to Facebook's policies and procedures over the years. This collaboration is a central component of our approach to stopping IP infringement, as it provides insight into trends and developments that we address through our enforcement measures.

For instance, our collaboration with rights holders has allowed us to invest in our Rights Manager product and proactive measures to identify and remove infringing activity entirely on our own—typically before a report from a rights holder is ever even submitted. We're working to test new approaches to this challenge using technologies like machine learning. Our partnerships have informed other measures as well. These include steps we have taken to stop the spread of third-party links dedicated to infringement on our platform, as well as to remove content related to devices that facilitate illicit streaming of copyrighted material.

However, as noted, it can be difficult for Facebook to independently identify what content rights holders may believe infringes their rights without input from the rights holders themselves. Only rights holders know the extent of their rights, or what entities they may have licensed their content to, and to what degree. In situations where Facebook's algorithm does not identify copyrighted material in uploaded content, we also provide dedicated channels for rights holders to report content that they believe infringes their rights.

### 10. How is Facebook fine-tuning its copyright enforcement technology to protect intellectual property in a manner that helps foster innovation in the music industry?

Please see the response to your Question 1.

Additionally, we have signed agreements with members of the music industry to enable new music-related experiences for users, artists, and songwriters on Facebook and Instagram. This includes a licensing program that currently covers the majority of music rights holders in over 90 music markets, including the US, UK, France, Germany, and Australia. We have this program because we believe there's value for Facebook, music rights holders, and our users when we enable people to freely express themselves and connect with others through music.

While creative, copyrighted content is just one part of our overall platforms, Facebook's products, and our partnerships and content licenses contribute three billion dollars or more a year globally to entertainment, music, news, sports, gaming, and other media. And that's on top of the value that Facebook's distribution and off-platform monetization opportunities provide rights holders.

## 11. Has Facebook introduced any new products or modified any of its policies to help musicians and artists survive the challenges of the COVID-19 pandemic through virtual performances?

Music is a bonding force in normal times. During difficult and isolating times like this, we know it can be even more important. And Facebook values the music creators on its platforms and has supported them through the challenges that COVID-19 has presented.

While many venues and retail opportunities have been shuttered, Facebook has remained an important outlet for creators to continue to engage with their audiences and grow their businesses. Facebook has also sponsored music industry workshops about musician best practices with products like Facebook Live and Instagram Reels, as well as educational events and other resources focused on the unsigned artist community. Our partnerships have supported and strengthened those efforts, offering a meaningful resource during challenging times.

Moreover, from the product perspective, we also launched a broad expansion of Live Ads, Stars (a fan-funding for creators program), Paid Online Events (a type of virtual pay-perview) and a number of other monetization systems to help independent artists and creators maximize the revenue from their virtual performances.

## 12. On July 31, 2020, Facebook announced the launch of official music videos across its platform in the U.S. What data does Facebook collect from users who view these music videos?

The circumstances in which Facebook collects, uses, and shares user information are described in our Data Policy, which is available at <u>https://www.facebook.com/policy.php</u>. As described in our Data Policy, we collect information about how people use our Products, such as the types of content they view or engage with; the features they use; the actions they take; the people or accounts they interact with; and the time, frequency, and duration of their activities. For example, we log when they're using and have last used our Products, and what posts, videos, and other content they view on our Products.

### 13. What user data does Facebook share with third parties when users watch music videos on Facebook, such as the user's identity or geographic location?

When a user watches a music video on Facebook, we do not share information that personally identifies users (information such as a user's name or email address that by itself can be used to contact that user or identifies who the user is) with third parties or advertisers. Our Data Policy makes clear the circumstances in which we work with third-party partners who help us provide and improve our Products or who use Facebook Business Tools to grow their businesses, which makes it possible to operate our companies and provide free services to people around the world.

Specifically, our Data Policy states that we provide aggregated statistics and insights that help people and businesses understand how people are engaging with their posts, listings, Pages, videos, and other content on and off the Facebook Products. For example, Page admins and Instagram business profiles receive information about the number of people or accounts who viewed, reacted to, or commented on their posts, as well as aggregate demographic and other information that helps them understand interactions with their Page or account.

For more information, see our Data Policy at <u>https://www.facebook.com/policy.php</u>.

### 14. What user data does Facebook share with advertisers when users watch music videos on Facebook, such as the user's identity or geographic location?

Please see the response to your previous question. With respect to advertising, we provide advertisers with reports about the kinds of people seeing their ads and how their ads are performing, but we don't share information that personally identifies users (information such as a user's name or email address that by itself can be used to contact that user or identifies who the user is) unless that user gives us permission. For example, we provide general demographic and interest information to advertisers (for example, that an ad was seen by a woman between the ages of 25 and 34 who lives in Madrid and likes software engineering) to help them better understand their audience. We also confirm which Facebook ads led a user to make a purchase or take an action with an advertiser.

15. On December 10, 2020, Buzzfeed News reported that between 2017 and 2019, Facebook promoted music video ads from TikTok (formerly called Musical.ly) that featured teenage girls provocatively gyrating to music and optimized the ads to target a specific audience—middle-aged men. Did Facebook employees complain on an internal company message board about the inappropriateness of ad targeting music clips of minor children to men over 35 years old?

We hold people on Facebook to our Community Standards, and we hold advertisers to even stricter guidelines. Under our Advertising Policies, ads must not contain nudity, depictions of people in explicit or suggestive positions, or activities that are overly suggestive or sexually provocative. We updated our policies in June 2019 to make clear that ads that assert or imply the ability to meet someone, connect with them, or view content created by them must not be positioned in a sexual way or with an intent to sexualize the person featured in the ad.

Bad ads cost Facebook money and create experiences people don't want. We have every incentive—financial and otherwise—to prevent abuse and make the ads experience on Facebook a positive one.

### 16. Do Facebook algorithms have the capability of targeting video ads of young children to audiences based on the age of the user viewing the ad?

All advertisers are subject to our Advertising Policies. Those policies, including what content is prohibited or restricted, can be found at <a href="https://www.facebook.com/policies/ads/overview">https://www.facebook.com/policies/ads/overview</a>.

When people use Facebook, they can choose to share things about themselves like their age, gender, hometown, or interests. They can also click or like posts, Pages, or articles. We use this information to understand what users might be interested in and hopefully show them ads that are relevant. If a bike shop comes to Facebook wanting to reach female cyclists in Atlanta,

we can show their ad to women in Atlanta who liked a Page about bikes. People can always see the "interests" assigned to them in their ad preferences, and if they want, remove them.

We take the issue of safety on our platform very seriously. We do not allow content that sexually exploits or endangers children on Facebook, including but not limited to content that depicts participation in or advocates for the sexual exploitation of children. This includes using our products and site functionality with the intention of sexualizing minors and soliciting, displaying, sharing, or viewing imagery of nude, sexualized, or sexual activity with minors. Full details can be found at

https://www.facebook.com/communitystandards/child nudity sexual exploitation.

#### We publish our Community Standards Enforcement Report

(<u>https://transparency.facebook.com/community-standards-enforcement#</u>) on a quarterly basis to more effectively track our progress, and demonstrate our continued commitment to making Facebook safe and inclusive.

We also use sophisticated technology to fight child sexual exploitation, both to help us prioritize the most serious reports, like child sexual exploitation, and to proactively find it and remove it. We have been using Microsoft's PhotoDNA technology since 2011. We scan every photo that is uploaded to our site using PhotoDNA to thwart the sharing of known child sexual imagery on our platform. When a photo is found to be of child sexual exploitation, the content is deleted, the account is taken down, and we report to the National Center for Missing and Exploited Children. In turn, NCMEC works with law enforcement agencies around the world to find and help victims.

We also use artificial intelligence and machine learning to proactively detect child nudity and previously unknown child exploitative content when it's uploaded. We're also using technology to find accounts that engage in potentially inappropriate interactions with children on Facebook so that we can remove them and prevent additional harm.

We continue to innovate—for example, last year we announced a new safety feature in Messenger that provides tips for spotting suspicious activity, encourages people under the age of 18 to be cautious when interacting with an adult they may not know, and empowers them to block or ignore someone when something doesn't seem right.

Any industry-wide problem requires solutions broader than just one company—last year, Facebook joined Google, Microsoft, and fifteen other tech companies to announce the formation of Project Protect: a plan to combat online child sexual abuse through a renewed commitment and investment from the Technology Coalition, expanding its scope and impact to protect kids online and guide its work for the next 15 years.

We also work with external experts, including the Facebook Safety Advisory Board and our Global Safety Network of over 400 safety experts, to discuss and improve our policies and enforcement around online safety issues, especially with regard to children.

We offer information and resources in our Safety Center (<u>https://www.facebook.com/safety</u>) to help people learn about staying safe on our site, a Parents Portal (<u>https://www.facebook.com/safety/parents</u>) to help parents familiarize themselves with our tools and talk to their children about online safety, and our Help Center (<u>https://www.facebook.com/help</u>) for people who may encounter child exploitation imagery on our platform and for those who may be victims.

#### 17. How much ad revenue did Facebook collect from TikTok in 2019?

TikTok has become a Facebook ad success story. They continue to use our ad platform to grow, becoming the successful platform they are today, including competing with Facebook's services.

#### 18. Is Facebook engaged in any discussions with TikTok to expand music video collaborations?

Like all companies in the technology sector and beyond, we closely follow commercial developments in the industry. We are constantly striving to improve consumers' experience, and an important part of that is responding to new features people demand.

### **19.** Does Facebook engage in any partnerships with independent and lesser known musicians?

We believe that Facebook and Instagram should empower content creators of all types. To facilitate this, we have a dedicated global Partnerships team who work with publishers, artists, creators, and others—including independent and lesser-known musicians—to help them maximize the value they get from Facebook and Instagram by reaching new audiences, engaging directly with fans, and promoting their work around the world. And our teams are always open to working with more rights holders, including musicians.

Rights holders of all sizes use our products, including Facebook Pages and Facebook Live, to connect with their audiences, promote their content, and support their business. Musicians, for example, use Facebook to expand their reach and connect with fans. And for good reason—according to one recent analysis, nearly two out of three people discover new musical artists on social media. We have also partnered with a wide range of established rights holders to help them gain visibility, reach new audiences, and experiment with new offerings, including, for example, social-first productions.

And we are focused on supporting emerging creators, working closely with them to understand what they need to be successful on Facebook and Instagram. Our efforts have included helping creators engage and grow their community, manage their presence, and build their businesses on our platforms.

#### 20. Why did Facebook revise its music terms of service on October 1, 2020?

The Music Guidelines in Facebook's Terms of Service have been in place since 2018, and we have not made any updates since. They were written to balance our commitment to supporting musical expression on our platforms with also ensuring we uphold our agreements with rights holders, which remains unchanged.

This year, as social distancing has forced everyone to stay apart, more people have turned to Facebook Live and Instagram to stay connected with their communities. This rapid rise in usage has created a lot of good during this crisis—raising money for frontline workers and underserved communities, driving awareness of healthy habits, encouraging people to stay safe by staying home, and bringing people together through new forms of entertainment. But it has also highlighted some confusion across the community—especially around the use of recorded music in Live video on both Facebook and Instagram.

In response to this confusion, in fall 2020 we shared some general guidelines to help users better understand how to include music in videos on Facebook and Instagram, such as:

- The greater the number of full-length recorded tracks in a video, the more likely it may be limited.
- Shorter clips of music are recommended.
- There should always be a visual component to your video; recorded audio should not be the primary purpose of the video.

These guidelines are consistent across live and recorded video on both Facebook and Instagram, and for all types of accounts—i.e. Pages, profiles, verified and unverified accounts.

### 21. Under Facebook's current music terms of service, can musicians live stream or post music videos on Facebook Live? If yes, what are the limitations?

We want to encourage musical expression on our platforms while also ensuring that we uphold our agreements with rights holders. These agreements help protect the artists, songwriters, and partners who are the cornerstone of the music community—and we're grateful for how they've enabled the amazing creativity we've seen in this time.

At its core, Live brings people together in a real-time and unproduced way. This has opened up new creative opportunities for many creators, artists, and other public figures. So as we have continued building for the long term, we have shared guidelines and product improvements around music in Instagram and Facebook videos and livestreams which can be found here: <u>https://www.facebook.com/formedia/blog/updates-and-guidelines-for-including-music-in-video</u>.

Our licensing deals and Music Guidelines do not prevent musicians from livestreaming or posting music on Facebook if they own the copyright to the work or have obtained appropriate licenses. For more information on our Music Guidelines, please see the response to your previous question.

### 22. Under Instagram's current music terms of service, can musicians live stream of post music videos on Instagram Live? If yes, what are the limitations?

Please see the response to your previous two questions. Our Music Guidelines apply to all Facebook products, including Instagram.

#### 23. How many content moderators does Facebook directly employ to monitor copyrighted content on its platform?

Our IP Operations team consists of a global team of hundreds of trained professionals who provide around-the-clock coverage in multiple languages, every day of the year. Each IP report submitted by a rights holder is processed by our IP Operations team, typically within 24 hours, and often in hours or even minutes.

#### 24. How many content moderators does Instagram directly employ to monitor copyrighted content on its platform?

Please see the response to your previous question.

25. How many content moderators does Facebook employ through third party contractors to monitor copyrighted content on its platform?

Please see the response to your Question 23.

### 26. How many content moderators does Instagram employ through third party contractors to monitor copyrighted content on its platform?

Please see the response to your Question 23.

### 27. How many content moderators does Facebook directly employ to monitor the sale of counterfeit products on its platform?

In addition to the professionals of our IP Operations team discussed in response to your Question 23, we currently have over 35,000 people working on a variety of trust and safety issues, including but not limited to counterfeits, across Facebook. With respect to Marketplace, we continue to grow our team, which includes the people responsible for reviewing listings as well as improving and training our systems.

#### 28. How many content moderators does Facebook employ through third party contractors to monitor the sale of counterfeit products on its platform?

Please see the response to your previous question.

### 29. Describe the process of Facebook's take down and notice appeal process under Section 512 of the Digital Millennium Copyright Act of 1998.

We have invested significantly in supporting rights holders via our IP protection work. This work begins with our policies. Facebook's Terms of Service and Community Standards, as well as Instagram's Terms of Use and Community Guidelines, prohibit users from posting content that infringes third parties' IP rights. We have detailed Intellectual Property Help Centers for both Facebook and Instagram, where users and rights holders can learn more about our policies and procedures.

To ensure quick and accurate handling of IP reports submitted under the DMCA, we provide dedicated channels for rights holders to report content that they believe infringes their rights. These include custom online reporting forms dedicated to copyright and other IP

violations, through which rights holders can report different types of content they believe are infringing, including individual posts, photos, videos, or advertisements, as well as entire profiles, accounts, Pages, Groups, or Events. We also allow for rights holders to report multiple pieces of content in a single report, further enhancing and streamlining the reporting process.

Each report submitted by a rights holder is processed by our IP Operations team, a global team of trained professionals who provide around-the-clock coverage in multiple languages, every day of the year. If a report is complete and valid, the team will promptly remove the reported content—typically in less than 24 hours, and often within hours or even minutes. If any information is missing, or if the team needs to clarify anything, more information may be requested, and rights holders can communicate directly with the team via email in those situations. We believe that this manual processing is important in striking the right balance to ensure that rights holders have clear and effective processes for enforcing their rights, and that content is removed only in response to complete and valid reports, to help safeguard users' lawful free speech rights.

When we receive a report of infringement in a specific post, we do not limit our review to the individual post, but in appropriate circumstances instead look at the entire account, Group, or Page to determine whether it is dedicated generally to infringing activity. Where such an account, Group, or Page is dedicated to infringing activity, we will disable the actor even if the rights holder has reported just a single piece of content. In addition to outright removals, we may take other actions, including prohibiting the posting of content for a set period of time or, in the case of repeat infringers, disabling their Facebook or Instagram accounts, as appropriate.

In line with the structure established by the DMCA, Facebook or Instagram users who believe that a takedown request is not justified can file a counter-notice. If we receive a proper counter-notice, we will restore the removed content unless the reporting party notifies us within fourteen days that they have filed a lawsuit for copyright infringement.

Although we continue to look for ways to get better, our notice-and-takedown process has been helping us steadily improve our enforcement against IP-infringing content on our platforms. In general, we take removal action on 80-85% of reports that we receive. In the first six months of 2020, we took down over 2.5 million pieces of content from Facebook, and over 1.2 million pieces of content from Instagram, based on copyright reports.

Additional information about Facebook's notice-and-takedown and counter-notification processes can be found at https://www.facebook.com/help/10206339570731182helpref=about\_content

https://www.facebook.com/help/1020633957973118?helpref=about\_content.

### **30.** Describe the process of Instagram's take down and notice appeal process under Section 512 of the Digital Millennium Copyright Act of 1998.

Please see the response to your previous question.

### **31.** Describe the process of Facebook's process for taking down ads that promote the sale of counterfeit products on its platform.

We maintain strict prohibitions against counterfeits, and we take aggressive measures to both proactively and reactively combat these infringements. We believe strong anticounterfeiting initiatives are important for all stakeholders, and we prioritize the fostering of an online community that encourages the sharing of lawful content.

When someone submits a listing on Marketplace, that listing is subjected to automated review against our Commerce Policies. Based on the review, the listing can go live, be automatically rejected, or be sent to review teams for further review. We have an appeals process available for anyone who believes that their listing or access to Marketplace was rejected or removed in error. We are continuously evaluating our policies, as well as investing in and soliciting feedback from relevant internal and external groups to improve our enforcement efforts.

Ads on Facebook or Instagram are subject to our Advertising Policies, which are the rules regarding what types of ad content are allowed. When advertisers place an order, ads are reviewed against these policies using a combination of automated and manual processes. Most ads are reviewed within 24 hours, although in some cases it may take longer. During the ad review process, we'll check the ad's images, text, targeting, and positioning, in addition to the content on the ad's landing page. For more information on our Advertising Policies, please see <a href="https://www.facebook.com/policies/ads/">https://www.facebook.com/policies/ads/</a>.

Content that is reported as counterfeit and not otherwise acted upon through our Commerce Policies or Advertising Policies is subject to our notice-and-takedown procedures.

### **32.** Does Facebook have any policies in place to address the sale of counterfeit products from Chinese advertisers on its platform?

Please see the response to your previous question.

## 33. What efforts has Facebook taken to ensure that ads on Facebook that falsely claim to sell the Stihl pruner (when those products are in fact counterfeits) are taken down?

As noted in response to your Question 31, we maintain strict prohibitions against counterfeits, and we take aggressive measures to both proactively and reactively combat these infringements. We believe strong anti-counterfeiting initiatives are important for all stakeholders, and we prioritize the fostering of an online community that encourages the sharing of lawful content.

We have invested heavily in developing specialized tools to help rights holders efficiently identify and report counterfeit content at scale. For example, our Commerce & Ads IP Tool allows rights holders to search across Facebook ads and Marketplace posts to efficiently report any infringements through the dashboard. In other words, rather than trying to find infringing content on our platforms, the tool provides rights holders with an online search interface that seamlessly offers up to them content they may wish to report as infringing—for example, by searching for their brand name in the tool. The tool also provides a variety of sorting and filtering

options, as well as options to save rights holders' contact and trademark information within the tool, to help rights holders effectively monitor and report infringing content.

The Commerce & Ads IP Tool provides unique functionalities for rights holders to monitor across commercial content in ways not otherwise available to them: for example, for Marketplace, the tool searches all posts globally, while the community-based search functionality on Marketplace is limited to a 100-mile radius from a user's location. Subject to a simple application process, rights holders that can demonstrate the ownership of a registered word trademark and that have a history of quality IP reporting with Facebook are eligible to enroll in the Commerce & Ads IP Tool. Once enrolled, they may scale their operations by authorizing third parties such as brand protection agencies or other service providers to access the tool on their behalf. Rights holders currently enrolled cover the spectrum from large global brands to small and mid-sized businesses, across a range of industries from luxury fashion and accessories to activewear, footwear, bicycles, electronics, luggage, and sports apparel.

## 34. As of December 15, 2020, does Facebook have an ongoing business relationship with the Chinese company linked to ads promoting counterfeit sales of the Stihl pruner, Ouyi Electronic Commerce Co., Ltd. of Shenzhen?

Please see the response to your Question 31.

### **35.** Has Facebook designated an employee to be the face of the company in responding to complaints about the sale of counterfeit products from China on its platform?

A foundation of our IP protection program is our notice-and-takedown system, through which we provide dedicated channels for rights holders to report content they believe infringes their rights, including counterfeits. These channels include easily accessible reporting forms, including customized forms dedicated for reporting counterfeits. These reporting channels also permit rights holders to report multiple pieces of content in a single report, making the process as efficient as possible for them.

Each report submitted by a rights holder is processed by our Intellectual Property Operations team, which is a global team of trained professionals who provide around-the-clock coverage in multiple languages. The IP Operations team, together with the other operational teams who support this work, currently comprises several hundred individuals. In addition, numerous other departments have teams focused on IP protection, including Engineering, Product, Legal, and Policy.

If a rights holder's IP report is complete and valid, the IP Operations team will promptly remove the reported content and confirm that action with the rights holder that reported it, as well as with the reported user. Notably, content removal in response to an IP report typically happens within a day or less—frequently within hours and often even within minutes.

36. If U.S. companies discover that foreign advertisers are using Facebook ads to promote the sale of counterfeit products that are unauthorized reproductions of goods or technology produced by these American firms, what action and remedies are available to the U.S. business owners?

Please see the response to your Question 35.