



Digital Economy Bill

Factsheet – Intellectual Property

(clauses 26-28)

What are we going to do?

- strengthen the UK copyright framework and bring criminal penalties for online and physical copyright infringement into line
- enable designers to mark their products for less cost and protect their rights
- repeal out-dated copyright provisions in relation to cable television

Parliamentary Under Secretary of State for BIS and Minister for Intellectual Property, Baroness Neville-Rolfe said:

"The UK is rightly known worldwide as home to some of the world's most innovative and creative businesses, many for whom IP is key to their success. These measures strengthen the IP framework, ensuring the UK remains a great place to innovate and do business."

How are we going to do it?

- increase the maximum sentence for online copyright infringement from two to ten years
- create a new online design registration system, known as webmarking, making it easier for design owners to protect their rights
- repeal legislation which provides that copyright in the broadcast of public service broadcaster channels is not infringed where the broadcast is retransmitted by cable

Background

The government is committed to ensuring we have the right legal framework in place to support creators and the content they produce. We therefore intend to increase the maximum penalty for online copyright infringement from 2 to 10 years bringing it in line with penalties for physical copyright infringement. The government has consulted extensively on this issue, which has been a matter of concern for both creators and rights holders for a number of years.

The bill will also enable designers to optionally mark their products with a weblink and will make it cheaper and easier for them to give notice of their rights. Intellectual Property rights may change over the lifetime of a product



and this will allow rights holders to keep information up to date and ensure that infringers cannot claim that they did not know the design was protected.

The government has decided to repeal section 73 of the Copyright, Designs and Patent Act 1988. The repeal of section 73 will have the effect of closing the loophole that providers of internet-based live streaming services use to profit from re-transmitting public service broadcast content over the internet.

Government is satisfied that the objective of ensuring that PSB services (as well as other TV services) are available throughout the UK has been met, and therefore section 73 is no longer required to achieve that objective.

Key Questions and Answers

- **Does increasing the maximum sentence for online copyright infringement criminalise people who are downloading content?**
No. Criminal infringement only applies to making the material available to others. However, copyright owners can - and do - take civil legal action against individuals who download infringing material and they could be liable for substantial costs.
- **Will businesses be able to use a single web link for patents and designs?**
Yes, if they wish. The website must be freely accessible to the public and clearly associate the registered rights with the product.
- **How does repealing section 73 affect Virgin Media and the PSBs?**
The government has carefully considered the consequences of repealing of section 73 in relation to the regulatory framework for both PSBs and Virgin Media. We consider that the underlying regulatory framework for PSBs (must offer and the terms of their PSB licences) will continue to ensure a 'zero net fee' position between the commercial broadcasters and Virgin Media.

The repeal of section 73 will not affect that position. The intellectual Property Office will be conducting a further technical consultation process shortly, which will look at the impact on industry.