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# SOPA explained: What it is and why it matters

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By Julianne Pepitone @CNNMoneyTech January 17, 2012: 3:18 PM ET



**The Stop Online Piracy Act could pass this week.**

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FROM: THEPIRATEBAY.ORG; FIGHTFORTHEFUTURE.ORG

SOPA's backers say the sweeping anti-piracy bill is needed to squash sites like The Pirate Bay (left), but the tech industry says the bill is rife with unintended consequences.

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NEW YORK (CNNMoney) -- The tech industry is abuzz about SOPA and PIPA, a pair of anti-piracy bills. Here's why they're controversial, and how they would change the digital landscape if they became law.

**What is SOPA?** SOPA is an acronym for the Stop Online Piracy Act. It's a proposed bill that aims to crack down on copyright infringement by restricting access to sites that host pirated content.

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SOPA's main targets are "rogue" overseas sites like torrent hub The Pirate Bay, which are a trove for illegal downloads of movies and other digital content.

Content creators have battled against piracy for years -- **remember Napster?** -- but it's hard for U.S. companies to take action against foreign sites. So SOPA's goal is to cut off pirate sites' oxygen

by requiring U.S. search engines, advertising networks and other providers to withhold their services.

That means sites like Google wouldn't show flagged sites in their search results, and payment processors like eBay's (**EBAY, Fortune 500**) PayPal couldn't transmit funds to them.

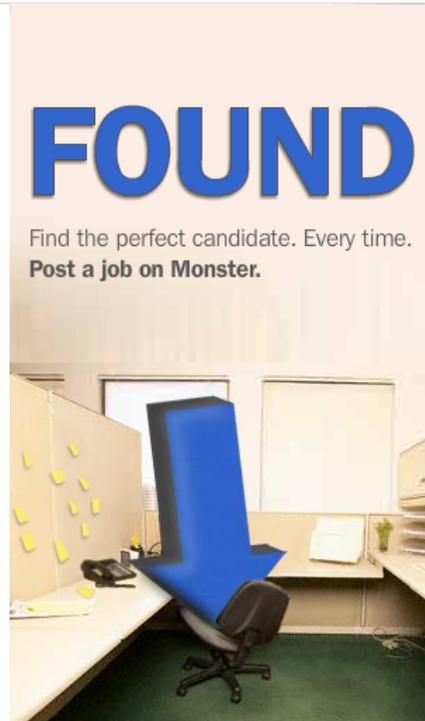
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Both sides say they agree that protecting content is a worthy goal. But opponents say that the way SOPA is written effectively promotes censorship and is rife with the potential for unintended consequences.

Silicon Valley woke up and took notice of the implications when SOPA was introduced in the House of Representatives in October. But its very similar counterpart, PIPA, flew under the radar and was approved by a Senate committee in May. PIPA is now pending before the full Senate and scheduled for a vote on January 24, though some senators are pushing for a delay.

**Isn't copyright infringement already illegal?** Yes. The 1998 Digital Millennium Copyright Act lays out enforcement measures.

Let's say a YouTube user uploads a copyrighted song. Under the current law, that song's copyright holders could send a "takedown notice" to YouTube. YouTube is protected against liability as long as it removes the content within a reasonable timeframe.

When it gets a DMCA warning, YouTube has to notify the user who uploaded the content. That user has the right to file a counter-motion demonstrating that the content doesn't infringe on any copyrights. If the two sides keep disagreeing, the issue can go to court.

The problem with DMCA, critics say, is that it's useless against overseas sites.

SOPA tackles that by moving up the chain. If you can't force overseas sites to take down copyrighted work, you can at least stop U.S. companies from providing their services to those sites. You can also make it harder for U.S. Internet users to find and access the sites.

But SOPA goes further than DMCA and potentially puts site operators on the hook for content their users upload. A site could be deemed a SOPA scofflaw if it takes "deliberate actions to avoid confirming a high probability" that its service will be used for copyright infringement. That kind of swampy language has tech companies spooked.

"YouTube would just go dark immediately," Google public policy director Bob Boorstin **said at a conference last month**. "It couldn't function."

**Who supports SOPA, and who's against it?** The controversial pair of bills, SOPA and PIPA, have sparked an all-out war between Hollywood and Silicon Valley. In general, media companies have united in favor of them, while tech's big names are throwing their might into opposing them.

SOPA's supporters -- which include CNNMoney parent company Time Warner (**TWX**, **Fortune 500**), plus groups such as the Motion Picture Association of America -- say that online piracy leads to U.S. job losses because it deprives content creators of income.

The bill's supporters dismiss accusations of censorship, saying that the legislation is meant to revamp a broken system that doesn't adequately prevent criminal behavior.

But SOPA's critics say the bill's backers don't understand the Internet's architecture, and therefore don't appreciate the implications of the legislation they're considering.

#### iReport: Share your SOPA view

In November, tech behemoths including Google (**GOOG**, **Fortune 500**) and Facebook lodged a formal complaint letter to lawmakers, saying: "We support the bills' stated goals. Unfortunately, the bills as drafted would expose law-abiding U.S. Internet and technology companies to new uncertain liabilities [and] mandates that would require monitoring of web

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sites."

**Where does the bill stand now?** SOPA was once expected to sail quickly through committee approval in the House. But after a massive pushback from tech companies and their supporters, it's being extensively reworked. House Majority Leader Eric Cantor has said SOPA won't come up for a committee vote as-is.

That means the bill could change a lot from day to day -- and one major tenet of the original legislation has already been removed. As originally written, SOPA would have required Internet service providers (ISPs) to block access to sites that law enforcement officials deemed pirate sites.

But the White House said its analysis of the original legislation's technical provisions "suggests that they pose a real risk to cybersecurity," and that it wouldn't support legislation that mandates manipulating the Internet's technical architecture.

The White House's statement came shortly after one of SOPA's lead sponsors, Texas Republican Lamar Smith, agreed to remove SOPA's domain-blocking provisions.

Smith's office says it's still planning to work through amendments to the bill, but his representatives declined to estimate how long that will take. They plan to resume revision of the bill in February.

A markup process once expected to take days is now likely to last for months. As the outcry around SOPA grows louder, the bill's momentum in Congress appears to be fading.

**What are the alternatives?** One option, of course, is that Congress does nothing and leaves the current laws in place.

Alternative legislation has also been proposed. A bipartisan group of House members has begun drafting the Online Protection and Enforcement of Digital Trade Act (OPEN), a compromise bill.

Among other differences, OPEN offers more protection than SOPA would to sites accused of hosting pirated content. It also beefs up the enforcement process. It would allow digital rights holders to bring cases before the U.S. International Trade Commission (ITC), an independent agency that handles trademark infringement and other trade disputes.

OPEN's backers have [posted the draft legislation online](#) and invited the Web community to comment on and revise the proposal.

SOPA supporters counter that the ITC doesn't have the resources for digital enforcement, and that giving it those resources would be too expensive. ■

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 tbaot, 7 minutes ago

You could argue that some piracy is good for busines. Take for example Itunes and the Ipod. Prior to Apple creating that business model, people were stealing music using file sharing. Once Steve Jobs created the new model, music company and artist profits soared. Government is not usually the answer to all life's problems. Usually they muck up everything they touch.

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 Carly Granberry, 14 minutes ago

Each site should be responsible for policing infringements. They need to be responsible for managing their own abusing "users". If an ISP is made aware that a site is flagged and a proven abuser, given a fair amount of time to "ban" the site, but doesn't... it's to the court room to iron it out or be fined... whatever. I think we already have such legislation in place. Frankly, I see... [show more](#)

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 dokomonai, 8 minutes ago in reply to Carly Granberry

The problem is, laws like this (and DMCA) put all the power in the hands of one side, so it does not matter if you actually did anything or not, the IP holders get to decide if you stay up or not and you have very any real tools for fighting back.

It would be like if an anti-shoplifting law allowed retail stores to hire private security to go around, break into people's houses, and... [show more](#)

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 Billy Cogburn, 33 minutes ago

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 nesNYC718, 44 minutes ago