



P2P DEVELOPMENT: DO YOU NEED A LAWYER?

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Disruptive technologies always bring a degree of uncertainty in the legal environment in which they develop, while policymakers struggle to understand and address the new challenges that arise.

P2P has in the last few years transformed the communications industry, introducing new players into the arena and creating new opportunities for businesses and new tools for Internet users. The business model traditionally implemented by P2P platform providers, based on free online file distribution financed by online advertisement revenues, has broken all traditional schemes causing significant losses to the entertainment industry as well as to telecom operators and ISPs.

In August 2007, the recording industry projected losses of US\$ 3.7 billion to US companies from illegal downloading worldwide, while it has been proven that P2P traffic has a negative impact on the efficiency of ISPs' network infrastructure, damaging consumers' internet experience and ISPs' revenue stream.

On the other hand, P2P technology raises concerns for the protection of users' privacy rights and the operators' capability to comply with their data retention obligations.

The responses that lawmakers and courts have given to these challenges have been so far unclear, conflicting and un-coordinated. While in the US, courts still disagree on whether the simple uploading of illegal files onto P2P networks would amount to illegal distribution of copyrighted material, Asian courts have convicted several P2P users for copyright infringement, and in Europe a strong debate has commenced on the role of ISPs and their responsibility in monitoring the Web to prevent its illegal use.

In his speech, Mr. Liotta will give an overview of the legal challenges that P2P is facing, advocating for a research and development process that takes into account the current regulatory environment and the protection of all interests at stake, as well as for a harmonized regime that should understand P2P and its disruptive potentials and address these new legal issues at an international level.