



# INFORMATIVE NOTE



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## ADVERTISING REVENUE OF WEBSITES THAT VIOLATE INTELLECTUAL PROPERTY RIGHTS

*The agreement was made following a meeting that took place on 21 October 2016, which was attended by representatives of the European Commission, the advertising sector, rights holders, advertisers, and various other interested parties.*

The European Commission recently reached an agreement with various economic operators with a view to restricting the advertising revenue of websites that violate intellectual property (“IP”) rights.

The agreement was made following a meeting that took place on 21 October 2016, which was attended by representatives of the European Commission, the advertising sector, rights holders, advertisers, and various other interested parties.

Those representatives agreed on a set of principles to be adopted in order to minimise the financing of websites that do not respect IP rights. The basic objective is to create a deterrent to placing advertising on websites that violate those rights.

Through the guidelines now agreed, the associations representing the various economic operators from the sector have undertaken to make efforts to encourage their members not to offer for sale, recommend or purchase advertising space on websites that violate IP rights.

In addition to this, the various parties to the agreement that purchase or sell advertising space, or engage in advertising agency activity in relation to that space, have undertaken to include certain safeguards in the agreements they enter into. In particular, these safeguards may include tools to verify content and provide online monitoring of rights and services to protect brands.

The parties also agreed on the creation of an independent entity to supervise compliance with the agreement.

However, it was made clear that, at least for the time being, no database or directory of the websites that do not respect IP rights will be adopted.

The advantages for rights holders of an agreement of this nature are clear. For advertisers too, it is clearly important to restrict the activity of websites with these characteristics because, as their representatives stressed, the reputation of the brands in question could be prejudiced if their advertisements appear on offending websites.

It now remains to be seen whether this agreement will lead to a more binding and detailed instrument.

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