

Copyright for Blockheads

An Empirical Study of Market Incentive and Intrinsic Motivation

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Introduction

- The Rational Artist
 - *Quid Pro Quo*
 - “No man but a blockhead ever wrote, except for money.” - Samuel Johnson
- The Romantic Artist
 - The Incentive Fallacy
 - “Create art for art’s sake” - Théophile Gautier



Introduction

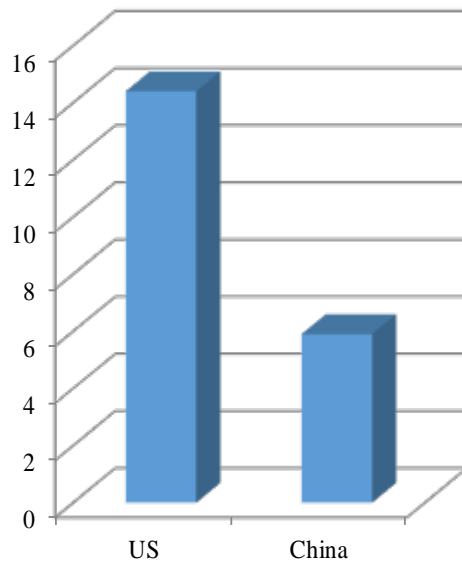
- The Real-world Artist
 - Research Questions
 - How do artists respond to various motivations for creativity?
 - How do artists perceive the usefulness of copyright protection?
 - How do artists continue their artistic careers in a world without copyright law?



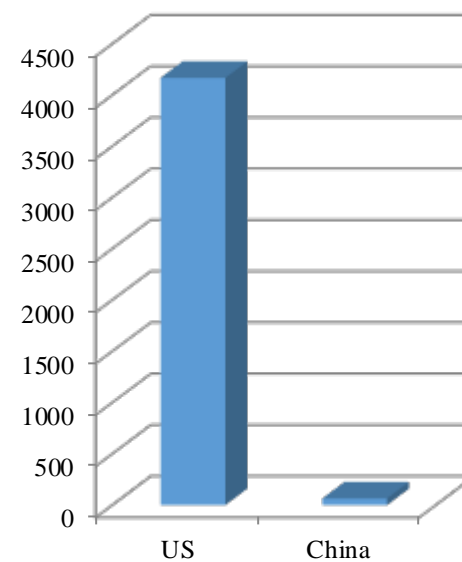
The Music Industry

- Development

GDP
(US\$ zillions)



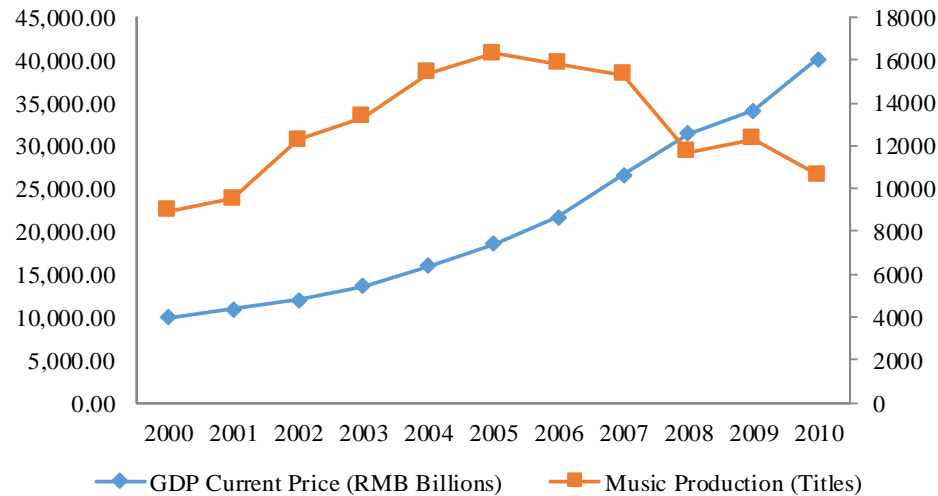
Music Sales
(US\$ Millions)



The Music Industry

- Development

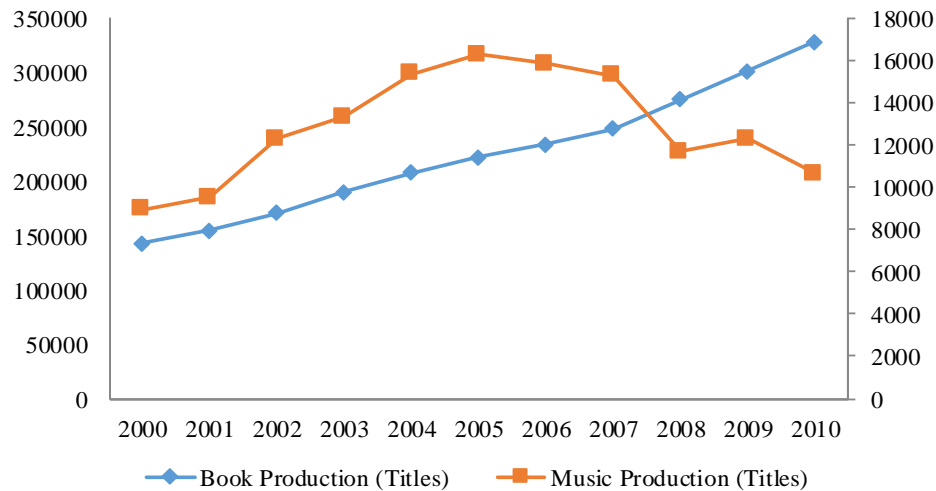
- GDP Growth & Record Production Trend
- (China)



The Music Industry

- Development

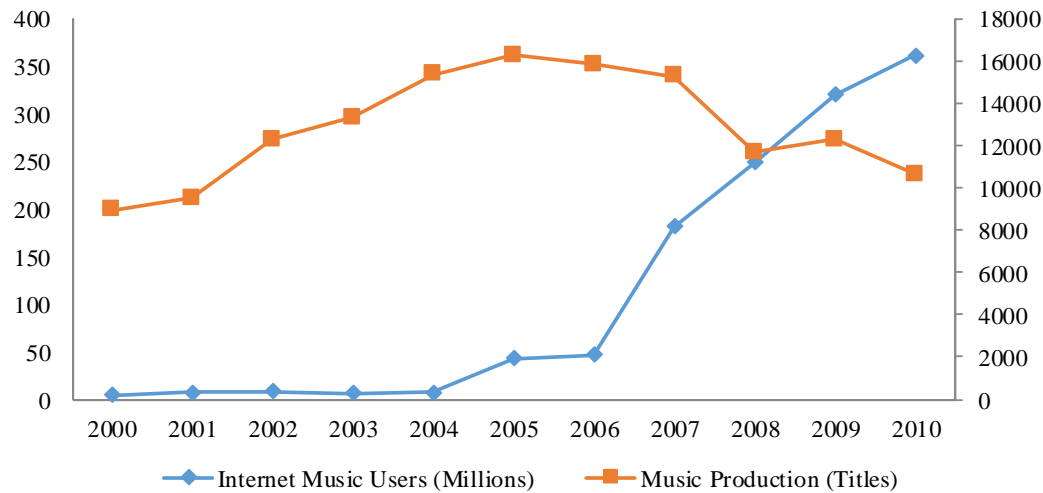
- Book Production Trend & Record Production Trend
- (China)



The Music Industry

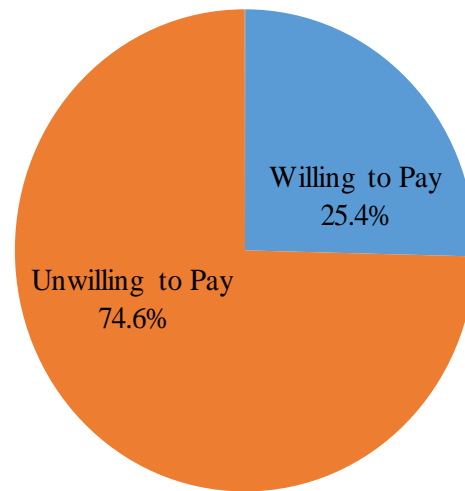
- Music & Piracy

- Online Music Usage & Music Production Trend
- (China)



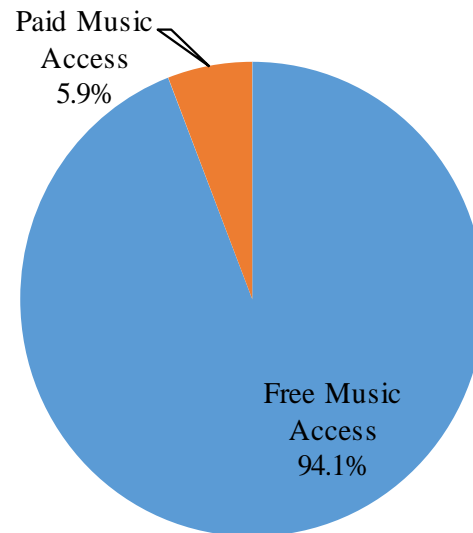
The Music Industry

- Music & Piracy
 - Online Music User Willingness to Pay
 - (China)



The Music Industry

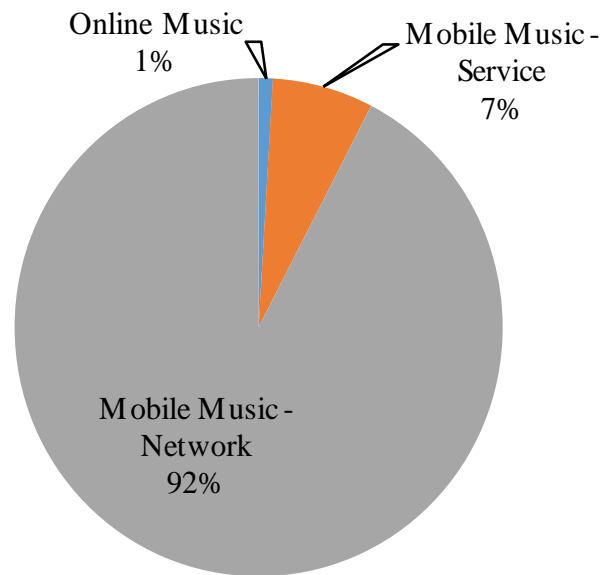
- Music & Piracy
 - Online Music User Paying Experience
 - (China)



The Music Industry

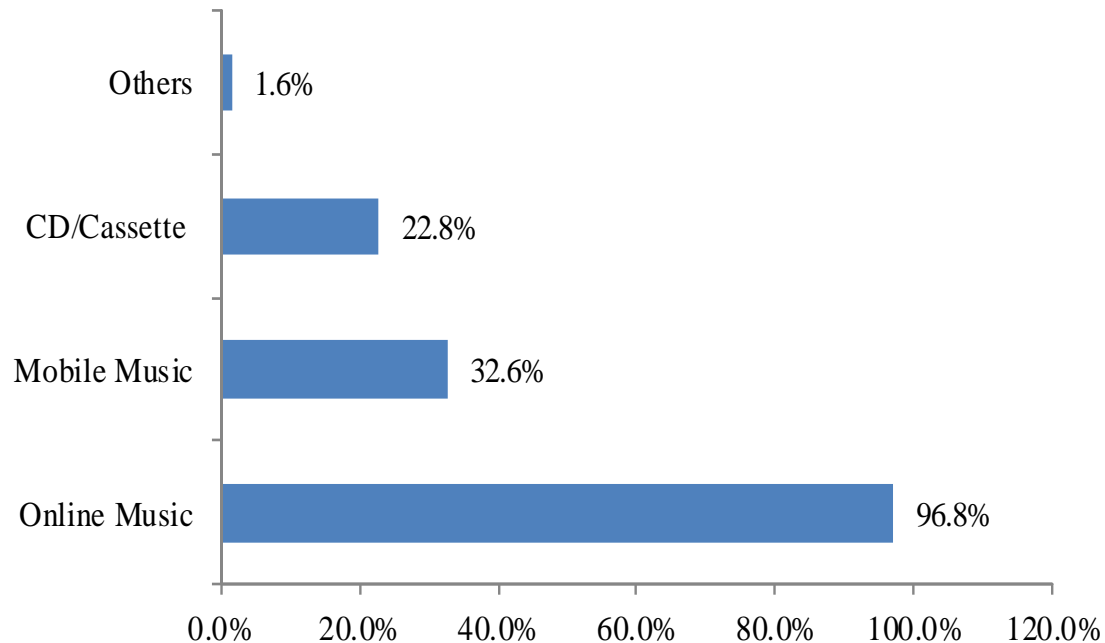
- Online & Mobile

- Digital Music Market – Network Providers Included
- (China: RMB Billions)



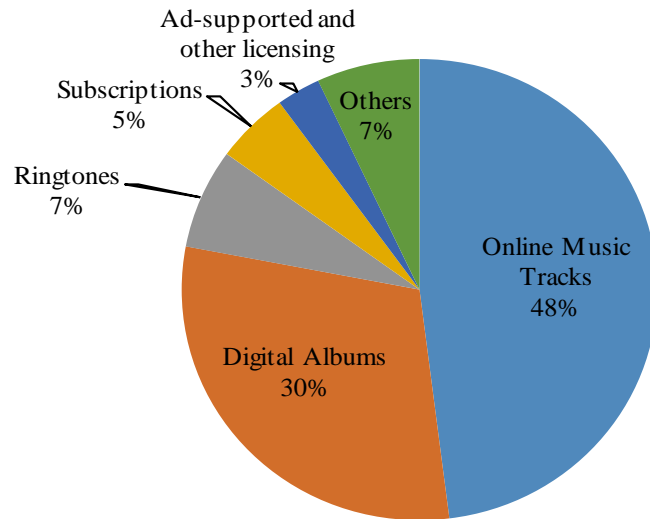
The Music Industry

- Online & Mobile
 - Major Channels for Music Access
 - (China)



The Music Industry

- Online & Mobile
 - Digital Music Market
 - (US)



The Music Industry

- Changing Business Models
 - Traditional record deals
 - Production
 - Marketing
 - Distribution
 - Cross-subsidization

HYBROTHERS
華 誼 兄 弟 音 樂

W MUSIC
无线星空音乐

金牌大風
GOLD TYphoon

B in MUSIC
卡賓音樂

滾石唱片
ROCK RECORDS & TAPES

大國文化
musicnation

(o)
海 蝶

The Music Industry

- Changing Business Models
 - Cooperative/Self-funded Models
 - Transfer the risks
 - Labels provide services
 - Musicians pay labels for the services
 - Musicians take all investment risks



The Music Industry

- Changing Business Models
 - 360 Degree Deals
 - Diversify the risks
 - Signing of young artists for long-term contracts
 - More control over signed artists
 - Emphasis on non-musical properties (e.g. appearance, celebrity)



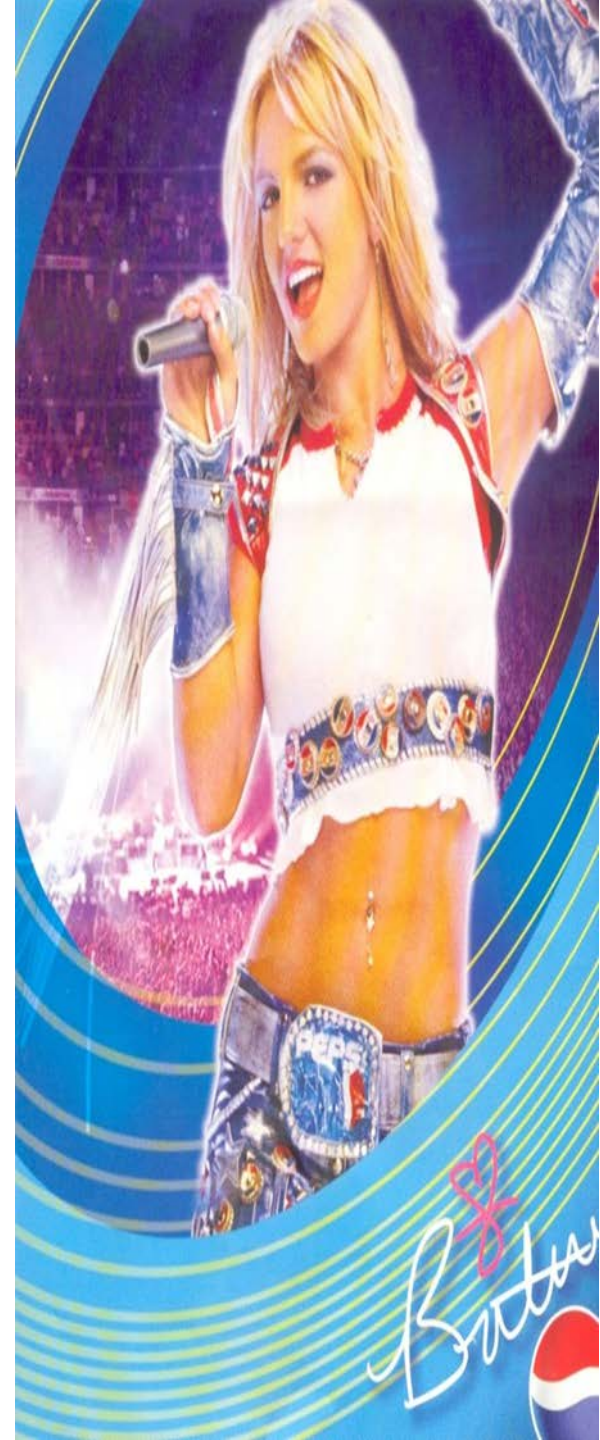
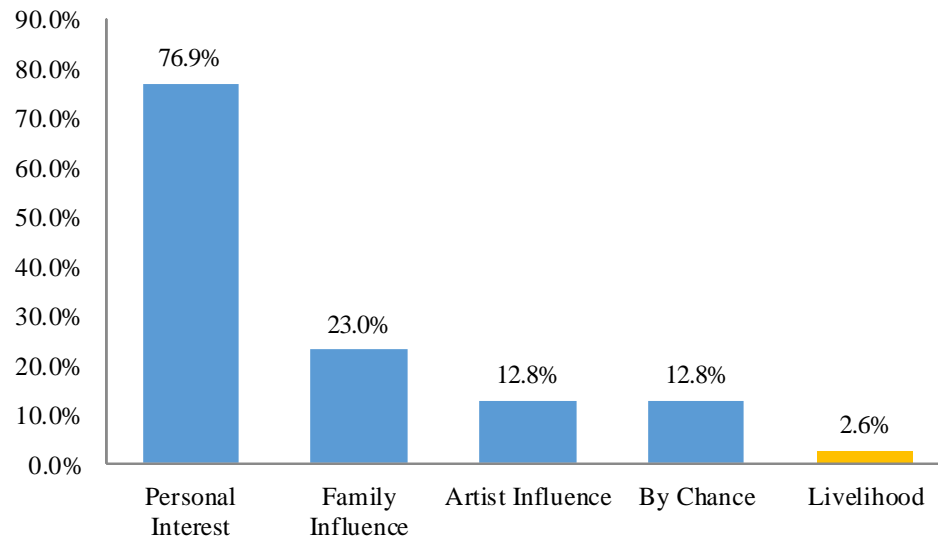
Musicians on Copyright

- Motivations for Creation
 - Paradox?
 - 92% referred to emotional benefits exclusively as their motivations for music creation
 - 97% specifically recognized economic benefits as being important for music creation



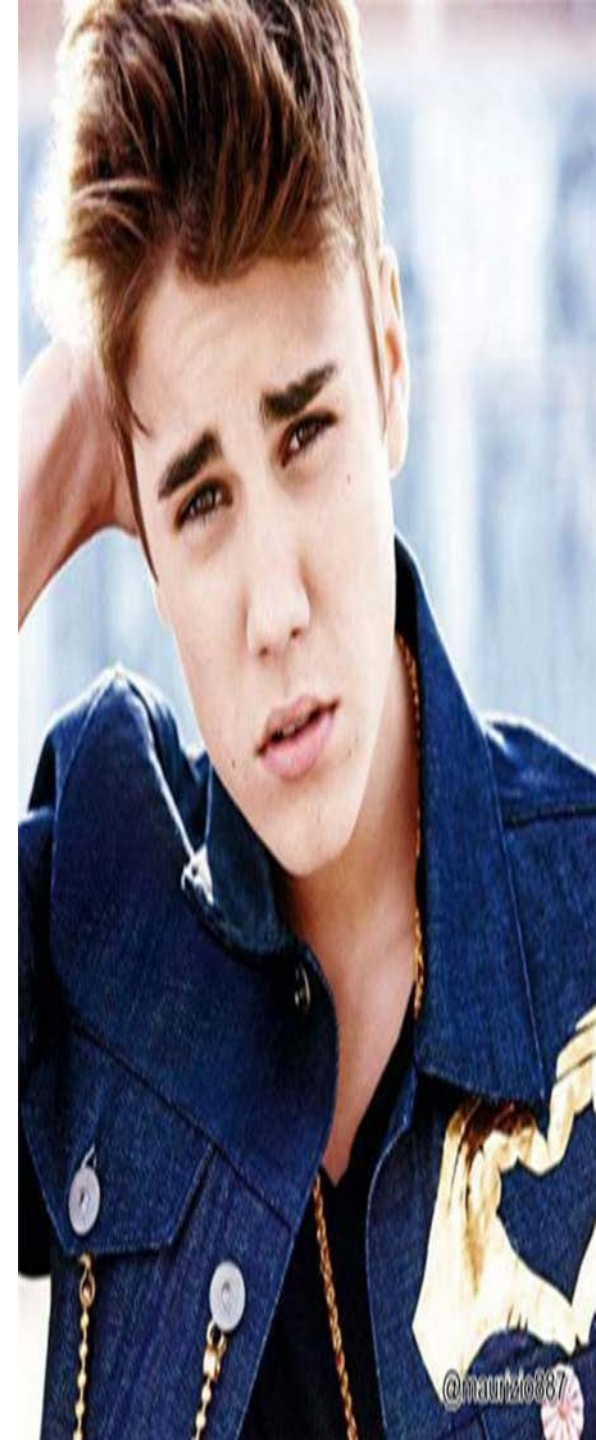
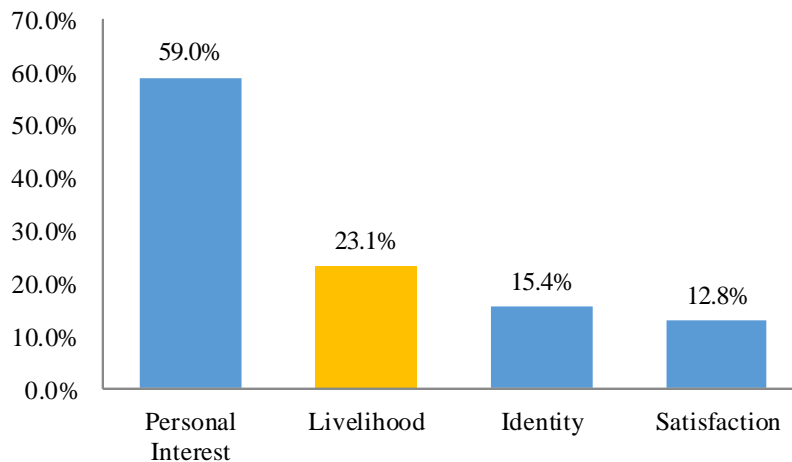
Musicians on Copyright

- Motivations for Creation
 - Reasons for Starting Music Career



Musicians on Copyright

- Motivations for Creation
 - Reasons for Continuing Music Career



Copyright and Incentive

- Conclusion
 - The Hypothetical Bargain
 - No inherent limitation
 - Little copyright awareness
 - Dominant intrinsic motivations
 - Market & Autonomy
 - Copyright for Blockheads

