



26 February 2021

Australian Competition & Consumer Commission  
GPO Box 3131  
Canberra ACT 2601

Email: [adtechinquiry@acc.gov.au](mailto:adtechinquiry@acc.gov.au)

Dear Commissioner,

### **Digital Advertising Services Inquiry Interim Report**

Music Rights Australia thanks the Australian Competition and Consumer Commissioner (ACCC) for the opportunity to make a submission in response to the Ad Tech Inquiry Interim report.

#### **Background to Music Rights Australia**

Music Rights Australia (**MRA**) is an organisation that protects the creative interest of artists within the Australian music community. MRA represents over 100,000 songwriters and music publishers through their association with the Australasian Mechanical Copyright Owners' Society (**AMCOS**) and the Australasian Performing Right Association (**APRA**), and more than 125 record labels – both independent and major – through the Australian Recording Industry Association (**ARIA**).

#### **Advertising on Illegal Online Music Sites**

MRA made a submission in 2020 in response to the ACCC's Ad Tech Inquiry Issues paper. In that submission, MRA discussed the prevalence of illegal online music sites which are funded by advertising, and detailed the findings of a 2015 study<sup>1</sup> which found:

- Despite increased awareness within the advertising community of the issue, there were still instances of signature brands advertising on illegal sites which stole creative content, and which were primarily supported by advertising revenues.
- The type of site which fell into its search criteria for the study had shifted and the primary sites which were making the money from advertising were now streaming sites which inserted video advertisements into stolen creative content.
- The online streaming sites were less expensive to set up and so had lower barriers to entry.

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<sup>1</sup> Digital Citizens Alliance, Good Money Still Going Bad: Digital Thieves and the Hijacking of the Online Ad Business (May 2015).

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- The sites had increased instances of downloadable malware and malicious software like bots which placed consumer safety at risk.

The exploitation of Australian artists' work on illegal sites continues, and the advertising revenues which illegal streaming sites generate undermine licensed streaming services which are paying artists and record labels for their work.

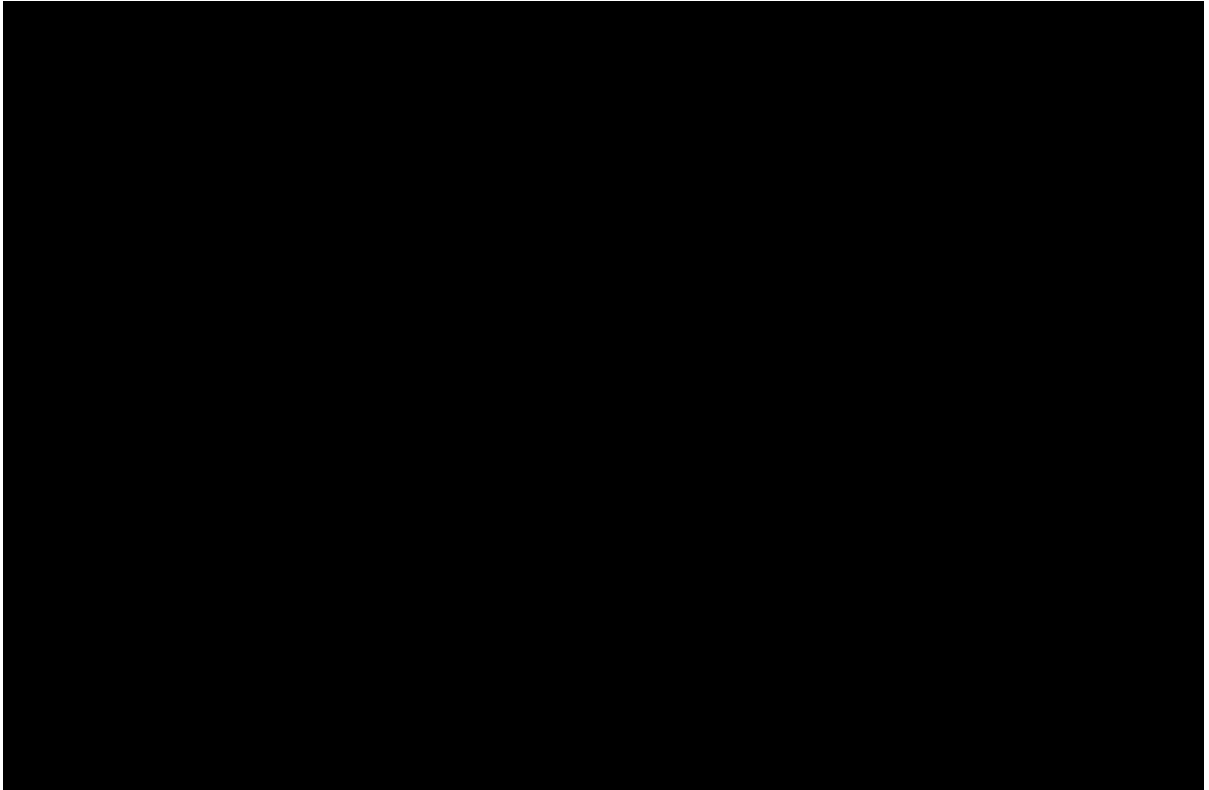


Image: Screenshot of [redacted] homepage with banner advertising

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MRA also noted that despite many studies, and the Ad Tech industry's recognition of the problem, self-regulation has achieved little. The damage to content owners continues to grow due to systemic resistance to real and effective change.

### **Interim Report Proposals**

#### ***Proposal 4 – Implementation of a voluntary industry standard to enable full, independent verification of DSP services***

MRA supports the introduction of standards which would allow independent verification of DSP services.

Illegal online music sites compromise brand safety and consumer safety. Standards and minimum requirements would assist third parties to undertake verification throughout the Ad Tech supply chain.

The ACCC's interim report focused on the important issues of scam advertising and brand integrity. However, the music industry is concerned about any type of advertising appearing on these sites. MRA would suggest that the minimum requirements should ban advertising on designated illegal sites to ensure their main source of revenue - advertising - is cut off.

MRA supports the goal of achieving the standards and minimum requirements through cooperation. However, international experience indicates this may not be possible. MRA requests that the ACCC include a suggested timeline to achieve agreement and sets out the consequences of failure to agree the standards and minimum requirements.

MRA suggests that any agreement to address the placement of advertising on designated illegal sites should include clear obligations on all actors in the Ad Tech supply chain to take steps to avoid the designated illegal sites. Any agreement should also implement consequences for failure to apply those standards and minimum requirements.

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***Proposal 5 – Implementation of a common transaction ID***

MRA supports the introduction of a common transaction ID which would “allow providers across the supply chain, as well as advertisers and publishers, to follow individual ad impressions across the supply chain and better observe the performance of their ad tech services.”<sup>2</sup>

The introduction of technologies to improve transparency will enable all members of the Ad Tech supply chain to control the placement of advertising on designated illegal sites, and so improve brand and consumer safety and improve the integrity of the Ad Tech supply chain.

If you have any questions or require further information please contact me at [REDACTED]

Yours sincerely,

Vanessa Hutley

**General Manager**  
Music Rights Australia

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<sup>2</sup> Australian Competition and Consumer Commission, ACCC Digital Advertising Services Inquiry Interim Report (December 2020) p 23.