European Commission Stakeholder Dialogue under Article 17 of the Directive on Copyright in the Digital Single Market
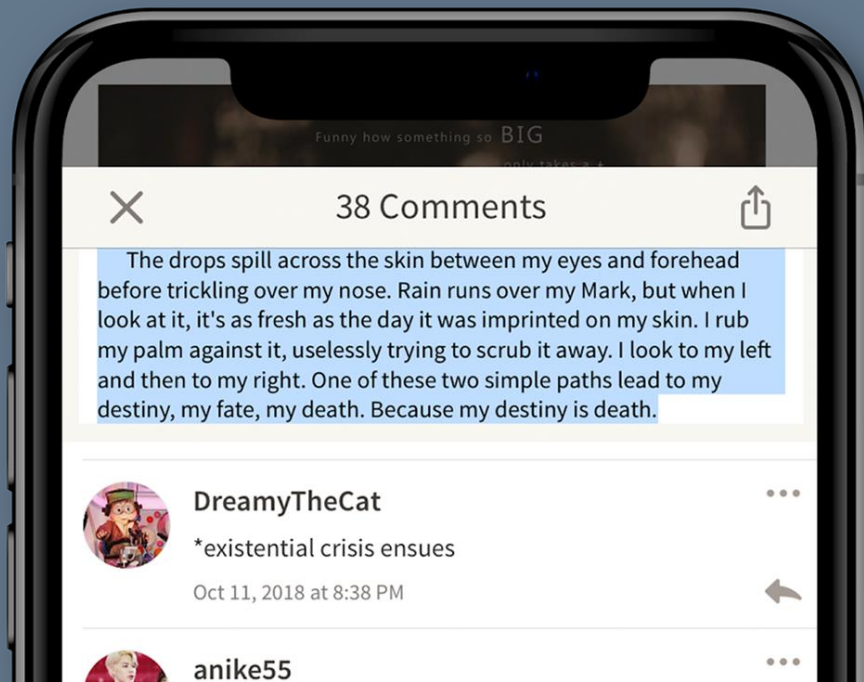
Fourth Meeting - 16 December 2019

Presented by Wattpad Corp.

wattpad

Allen Lau, CEO & Co-Founder

Wattpad is the world's largest and most engaging social storytelling platform

80+ million monthly users
4+ million writers
100% organic

500+ million story part uploads, with 500k new chapters added every day

23+ billion minutes of monthly engagement

200+ million comments per month

1+ billion data events collected daily

50+ languages

38 Comments

The drops spill across the skin between my eyes and forehead before trickling over my nose. Rain runs over my Mark, but when I look at it, it's as fresh as the day it was imprinted on my skin. I rub my palm against it, uselessly trying to scrub it away. I look to my left and then to my right. One of these two simple paths lead to my destiny, my fate, my death. Because my destiny is death.

DreamyTheCat
*existential crisis ensues
Oct 11, 2018 at 8:38 PM

anike55

Wattpad has a global presence, but it's not an internet giant

wattpad

- Founded in 2006
- <200 employees
- Headquartered in Toronto, with employees in New York, LA, UK, Hong Kong, Manila, Mumbai
- 80 million monthly users

facebook

- 35,000+ employees
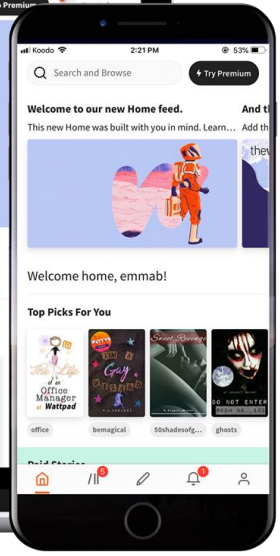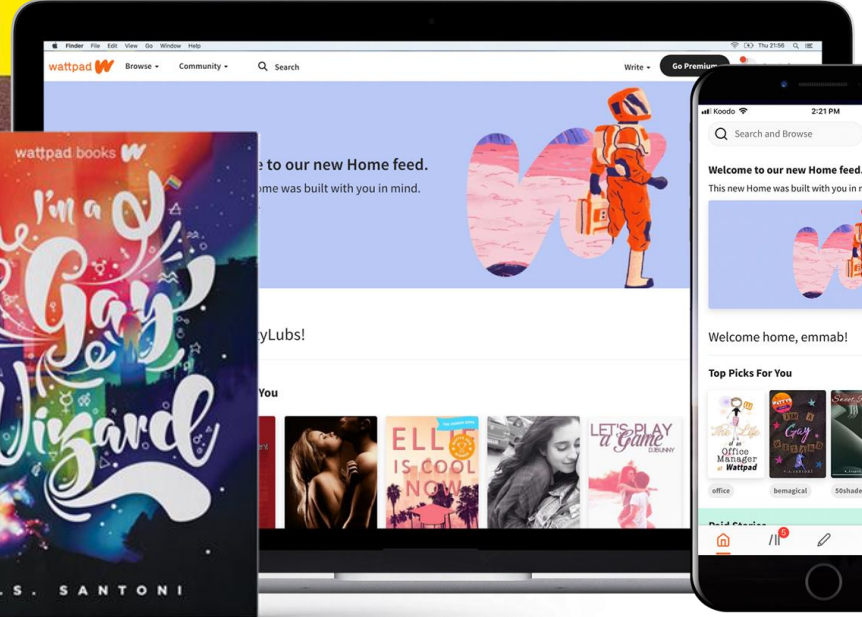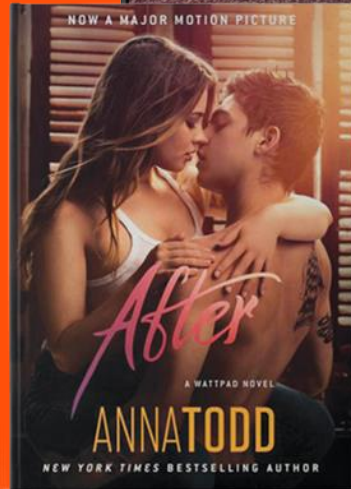- 85 office locations across 35 countries
- 2.45 billion monthly users
- $576 billion market cap

Google

- 100,000+ employees
- 70 office locations across 50 countries
- 2+ billion users
- $927 billion market cap

amazon

- 600,000+ employees
- 30+ office locations across 30 countries
- 100 million Prime users
- $867 billion market cap

Today,
Wattpad is a global
entertainment
company.

apps, books, tv shows, movies

Our vision:

To entertain & connect the world through stories.

Wattpad is <u>the</u> place to write, share, and read original fiction.
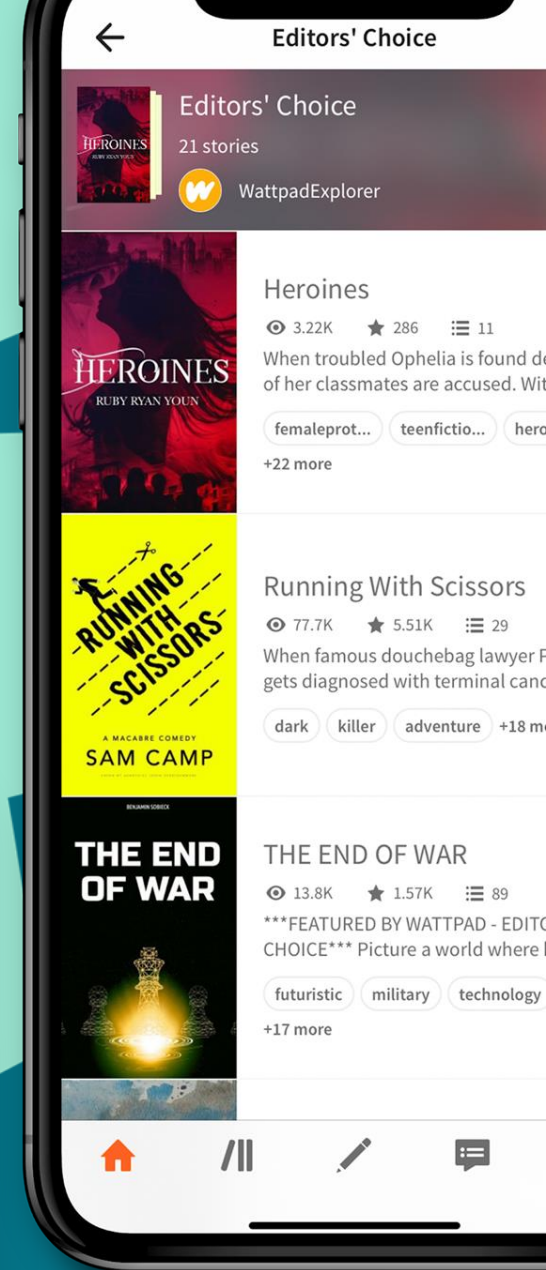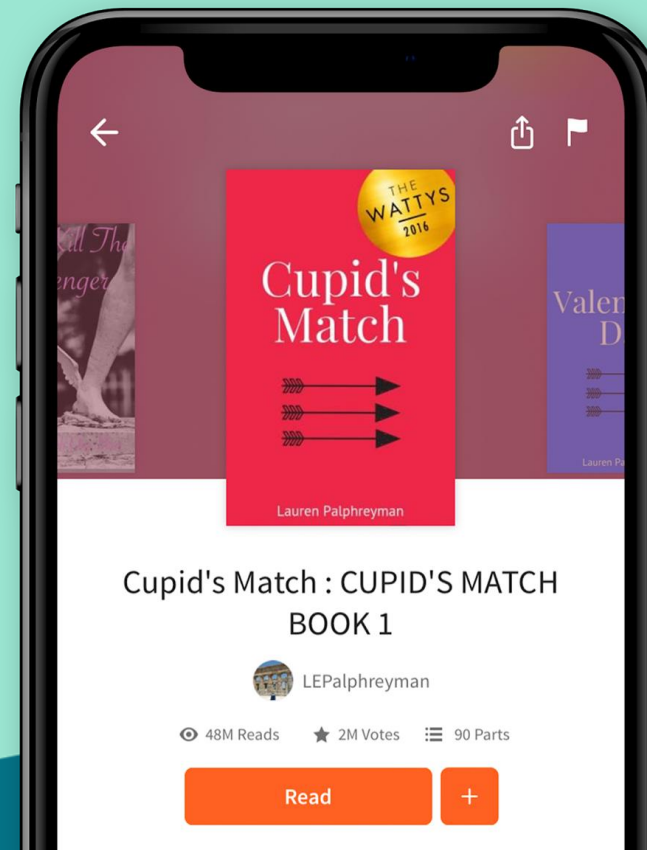

Video

Audio

Images

News

Blog

Fiction

Cupid's Match

Cupid's Match : CUPID'S MATCH BOOK 1

LEPalphreyman

48M Reads   •   2M Votes   •   90 Parts

Read   +

← Editors' Choice

Editors' Choice
21 stories
WattpadExplorer

Heroines
👁 3.22K   ★ 286   ☰ 11
When troubled Ophelia is found de...
of her classmates are accused. Wit...
femaleprot...   teenfictio...   hero
+22 more

Running With Scissors
👁 77.7K   ★ 5.51K   ☰ 29
When famous douchebag lawyer F...
gets diagnosed with terminal canc...
dark   killer   adventure   +18 m

THE END OF WAR
👁 13.8K   ★ 1.57K   ☰ 89
***FEATURED BY WATTPAD - EDITO...
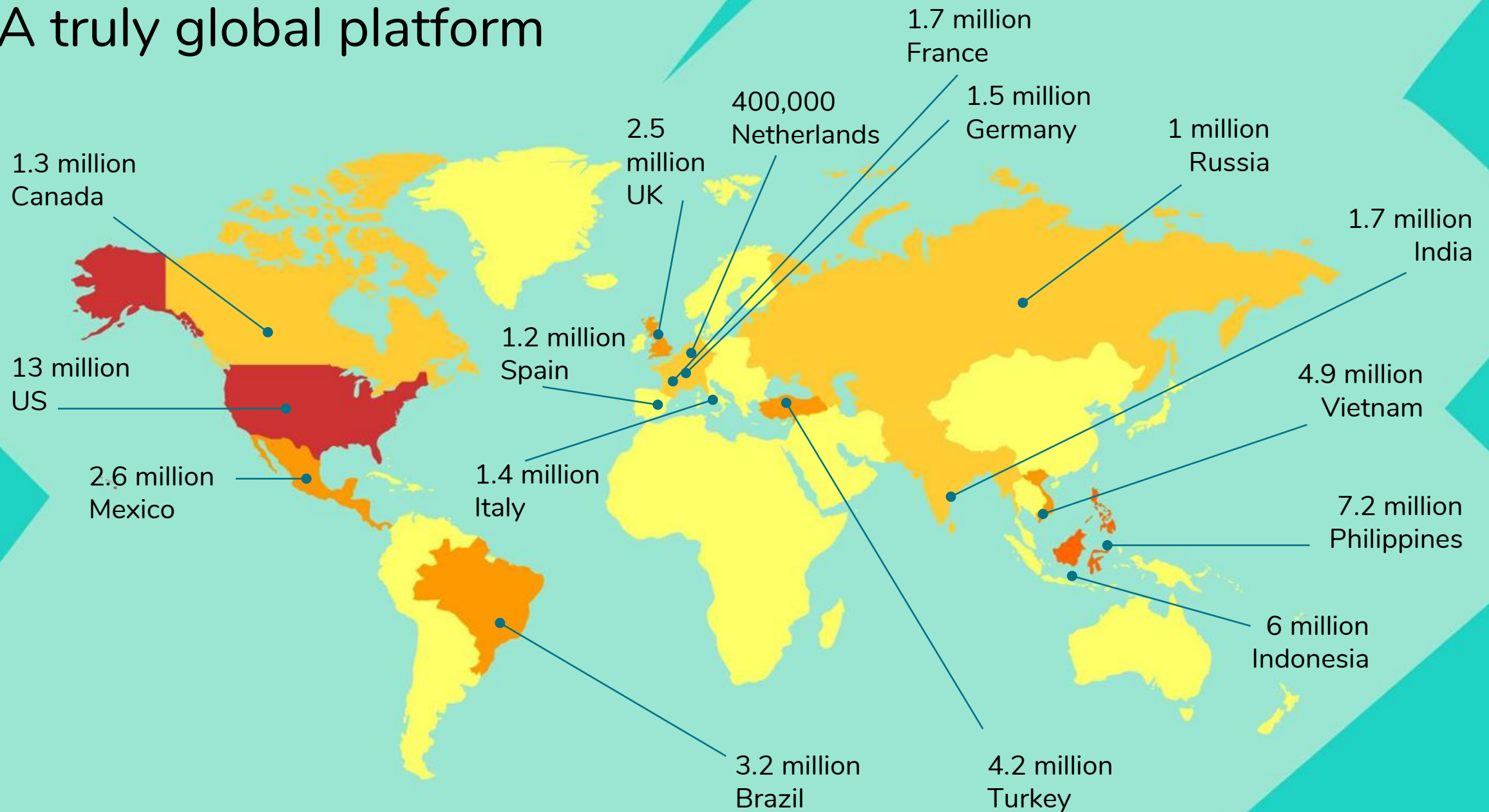CHOICE*** Picture a world where I...
futuristic   military   technology
+17 more

A truly global platform

Wattpad x EU Audience Engagement

9.2M unique monthly users

50M unique story uploads

87% of the community is female*

of those users who stated a gender

With partners around the world, many of them in the EU

From LA to Munich to Seoul - Wattpad Studios partners
with global entertainment companies to get Wattpad stories into development,
transforming how the global entertainment industry
finds and develops the next great idea.

Copyright & Wattpad
Wattpad aggressively enforces copyright across its platform

DMCA

Can be submitted online from the desktop site, mobile web and from the Wattpad app

Actioned by in-house copyright team within one business day

Non-DMCA

Any user can report 'published' works that are available for sale. Typically with an ISBN or ASIN. For example: Harry Potter infringements will be removed

Actioned within a maximum of three business days

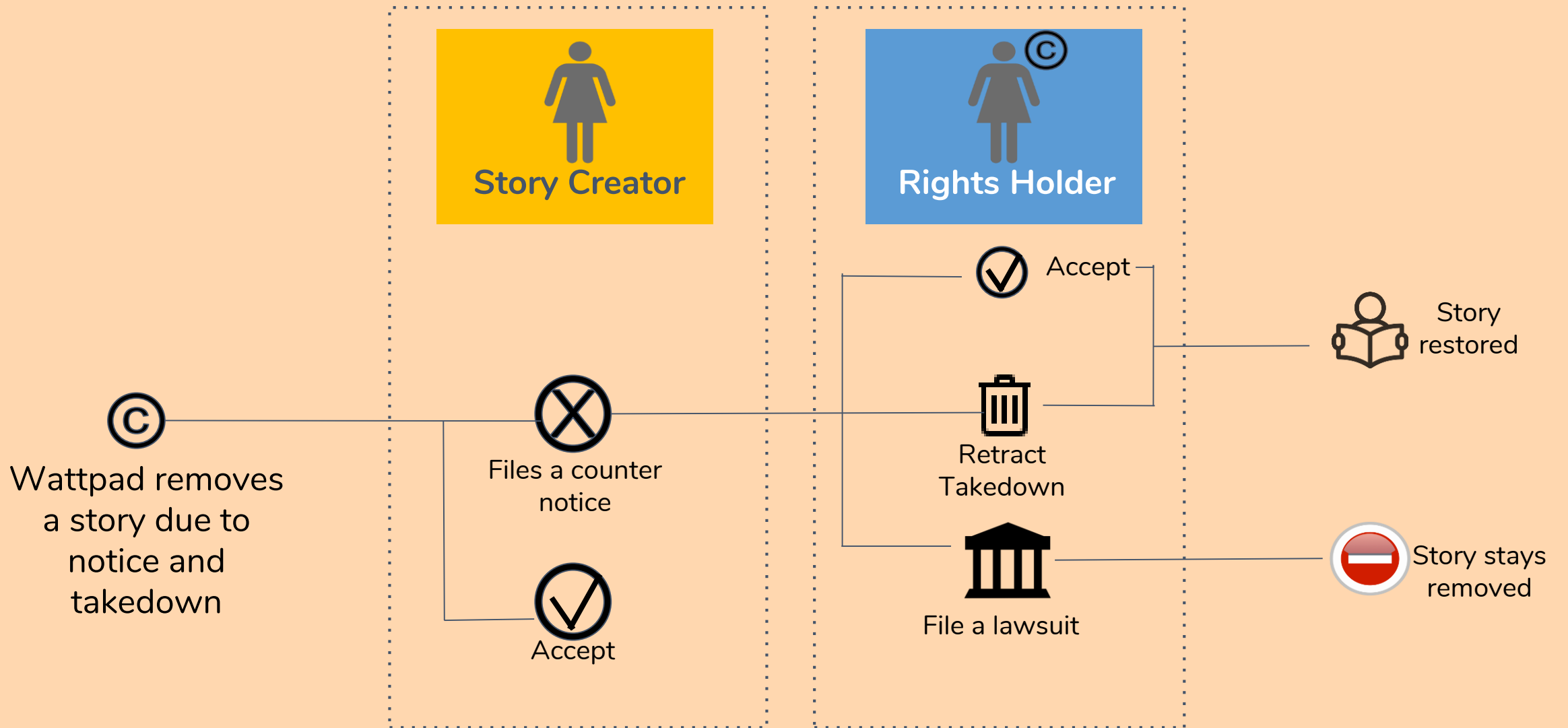Reporters of non-confirmed infringements will receive education on copyright

Ambassadors

70 trained and dedicated Copyright Scouts search for copyright infringements on Wattpad in all languages and territories

Copyright Scouts are trained to remove copyright infringements on the spot

How Wattpad handles takedown requests

Using machine learning models focused on text is an order of magnitude more difficult than images or videos

➢ *Wattpad has attempted to integrate machine learning models into its suite of copyright tools, but it is far more challenging to create a text moderation machine learning model than image or audiovisual moderation*
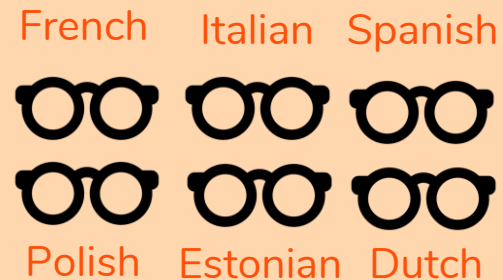
Estonian Reader

= **It takes <u>1 minute</u> to read 250 words (half a page) relating to a Story of a Dog**

However only an Estonian Speaker is able to understand, interpret, and compare a story written in Estonian.

French   Italian   Spanish

Polish   Estonian   Dutch

= **It takes <u>1 second</u> to evaluate a picture of a dog.**

Speakers of any language can all see, understand, interpret, and compare any picture.

Text moderation is very different than video and image moderation

TEXT Machine Learning	VIDEO & IMAGE Machine Learning
Few organizations, and very little academic research, tackling this issue	**Many organizations, and extensive research,** tackling this issue
Would require **24 Machine Learning Models** (one for each Language in the EU)	Would require **1 Machine Learning Model**
Best Text Models consistently achieve only ~**70% accuracy**[1]	Best Image Models consistently achieve ~**95% accuracy**[2]

(1) Wattpad's Chief Data Scientist
(2) https://www.theguardian.com/global/2015/may/13/baidu-minwa-supercomputer-better-than-humans-recognising-images

Conclusions

- **It is technically impossible to implement an effective copyright filter for text**
  - We are one of very few platforms that deals with text, and we are at the cutting edge of applying machine learning to text

- **A mandatory licensing regime is not an effective technical solution for text-based machine learning models**
  - Only internet giants, the government, or other large organizations potentially have the technical capability to operationalize a central repository
  - Even with a central repository that includes every piece of published work in every language, we can only anticipate a model that is, at best, 70% accurate

- **Wattpad aggressively pursues copyright infringement**
  - The current practices are effective and efficient at ensuring copyrighted material is removed from the platform
  - We have partnered with some of the largest media companies in the world, including many in Europe, and those relationships are premised on the rigorous protection of intellectual property

Thank you

wattpad