

# Intellectual Property Middlemen



There is an incentive for all product producers to patent their products. By obtaining a unique [product code](#), the producer is rewarded with 5% of the intellectual property (IP) ownership, even when none of the content or underlying designs are original works.

An editor of a book of short stories written by others, a newspaper or journal, and the manufacturer of a clone of another product, all receive 5% of the IP ownership of their underlying intellectual property. Should the new product include any unique feature or additional art, those features are patented and increase the IP ownership of the manufacturer or compiler on product distribution.

The incentive to patent all products ensures that artists and inventors are rewarded whenever their work is incorporated into products. This includes abstract cases such as distribution of a song at a concert, or checking out books from the library.

Additional middlemen get 5% of the ownership of the underlying IP as well. The secondary distribution lowers all other ownership of the IP by 5%. For instance, a secondary distribution lowers the primary distributor's share of ownership from 5% to 4.75%.

A middleman distribution occurs when the total distributions of the work by the middleman exceed the number of the copies of the work input. The middleman distribution is the difference.

For instance, a library purchases 2 copies of a physical book and one or the other copy of the book is checked out twelve times during the year. The middleman distribution of the book for the first year is 10. If the book is checked out 12 times in a subsequent year, the middleman distribution for that year would be the full 12.

It is in the interest of the middleman to properly identify these transactions, although in many cases, proper identification is the default for associated VIP\$ transactions. For instance, borrowing an item from a library is typically a \$0.00 VIP transaction where the item and both parties are identified. Purchasing a concert or

theater ticket is usually a sufficient transaction to generate ownership for the middleman. Purchasing a free ticket for \$0.00 VIP to a concert or theater will do the same.

What about athletes, live theater, museums, art galleries? Probably yes to all of these. At the high level, the domain and amounts of IP distribution are determined by [quadratic voting](#), at lower levels, by the voluntary standards groups ([VSGs](#)).

While major league sporting events are unlikely to be free, 5% ownership ensures that the price charged will fill all seats. Who gets the IP ownership, the team or the players? This will be determined by the appropriate VSG.

One possibility is that the team might collect the standard middleman distribution of 5% with the other 95% going to the players. So far, there are two middlemen. The stadium takes 5% and splits the other 95% between the two teams. Each team takes 5% of that and splits the other 95% among the players. This begs the question, what about the most common middleman of all, broadcast media?

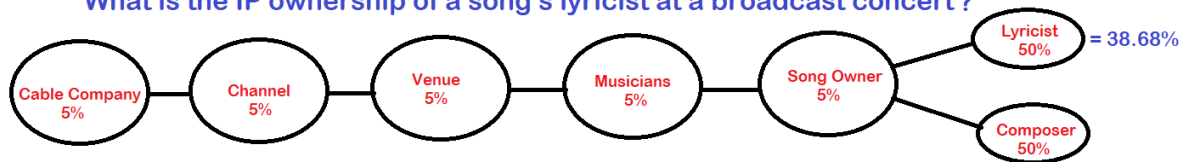
Music, film, documentaries, dramas, newscasts, and sporting events are among the works broadcast via internet, television, radio, cable, and satellite. Some media are sufficiently interactive for an exact count of the distribution. Others rely on statistical observations for the size of the viewing audience. Criteria will be set by the appropriate VSG and will likely involve certification by an independent agency.

Registration, which might be thought of as event patenting, by default falls on the group closest to the intellectual property. The VSG can decide otherwise. For instance, musicians performing at a concert, would identify the code of each song they sing, in exchange for 5% of the song and lyric writers' ownership.

The song and lyric writers' ownership would be independent of the performance ownership. The concert venue would identify each group performing in exchange for 5% of the total ownership in each category – performance, song, and lyric writers.

The latter two could be independent as well. Categories are independent and the first is likely handled by a different VSG than the last two. If the concert is broadcast, the broadcast media would get 5% of the total IP for registering the event during the time slot.

What is the IP ownership of a song's lyricist at a broadcast concert?



Cable company registers number of viewers, channel registers venue with time slot, venue registers groups of musicians, musicians register songs performed, song owner identifies lyricists – this is one of many possible registration paths.