

# Intellectual Property Intermediaries



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 the 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 distributing a song at a concert or checking out books from the library.

Additional intermediaries also get 5% of the ownership of the underlying IP. The secondary distribution lowers all other financial rights to the IP by 5%. For instance, a secondary distribution decreases the primary distributor's ownership share from 5% to 4.75%.

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

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

It is in the intermediary's interest to correctly identify these transactions, although in many cases, proper identification is the default for associated Elsie transactions. For instance, borrowing an item from a library is typically a £0.00 transaction where the object and both parties are identified. Purchasing a concert or theater

ticket is usually sufficient to generate ownership for the intermediary. A free ticket for £0.00 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](#) and by the voluntary standards groups (VSGs) at lower levels.

While major league sporting events are unlikely free, 5% ownership ensures that the price charged will fill all seats. Who gets the IP ownership, the team or the players? The appropriate [VSG](#) will determine this.

One possibility is that the team might collect the standard intermediary distribution of 5%, with the other 95% going to the players. So far, there are two intermediaries. 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 intermediary of all, broadcast media?

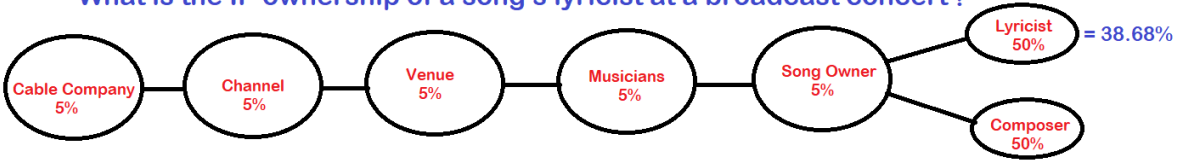
Music, film, documentaries, dramas, newscasts, and sporting events are among the works broadcast via the internet, television, radio, cable, and satellite. Some media are sufficiently interactive for an exact count of the distribution. Others rely on statistical observations for the size of the viewing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

Registration, which might be considered 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 financial rights in each category – performance, song, and lyric writers.

The latter two could be independent as well. Categories are independent. Different VSG likely handle the first and 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?



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