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# File-Sharing For Fee

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The Supreme Court's [ruling against Internet file-sharing networks](#) was just what **Wayne Rosso** was waiting for.

Just after midnight, the online music entrepreneur [announced a deal](#) with [Sony BMG Music Entertainment](#) to distribute the label's music on Rosso's [Mashboxx](#) network. Music by Sony BMG artists will be sold through Mashboxx at 99 cents per download, the same price that **Apple** charges at its **iTunes** online music store.

It's the first deal between a major music corporation and a peer-to-peer file-sharing network, the kind of distribution technology that the entertainment industry had tried to get the Supreme Court to shut down. The difference about Mashboxx, which is not yet live, is that it will require users to pay for music they swap over its service. The company is in talks with other music labels and plans to announce more deals, Rosso said in a press release sent out this morning.

Not a bad start, all things considered. We're talking about legal access to [Avril Lavigne](#), [Bruce Springsteen](#), [Yo-Yo Ma](#), the [Foo Fighters](#), [Shakira](#), [Miles Davis](#), [Bob Dylan](#), [Kenny Chesney](#) and [Antonio Carlos Jobim](#). I feel like [Johnny Cash](#) talkin' the "[Rock Island Line](#)." Oh, he's in there too.

Rumors of a deal like this has been in the works for a long time, but getting music executives to talk about it -- as my colleagues and I discovered -- wasn't so easy. Who could blame them? History shows us that it's not usually considered good form to negotiate in secret with the enemy while you're busy baying for their blood.

That's why timing the announcement to just after the Supreme Court decision is not accidental. Technology entrepreneurs who believe that file-sharing networks can be key conduits for 21st-century music distribution heard what they need to hear: Networks like **Grokster** and **StreamCast** can be held liable for copyright infringement for failing to prevent their customers from using the software to steal movies, music and software.

The idea is that if the networks take steps to prevent digital piracy, then file-sharing is legal after all. I'll let [Reuters take it from here](#): "Mashboxx is designed to work closely with the technology company [Snocap](#), headed by Napster founder **Shawn Fanning**, which identifies songs by their digital 'fingerprint' and determines if they are copyrighted. ... Sony BMG Chief Executive **Andy Lack** told Reuters after the Grokster ruling that he had hopes that unauthorized peer-to-peer services would change their tune by utilizing technology like Snocap's. 'There's an opportunity to employ lots of different technologies that legitimize these file-sharing services,' he said. 'A lot of them didn't want to come to the table until this ruling.'"

[Los Angeles Times reporter Jon Healey](#) described Mashboxx, Snocap and similar companies as the file-sharing world's "reform ring:" "These ventures are closely allied with the major record companies, which are eager to transform the file-sharing world from a Wild West free-for-all into a more conventional, copyright-friendly place to sell music. Unlike the leading file-sharing networks, Mashboxx and [iMesh](#) will stop users from swapping tracks if the copyright owners object, and they will charge for permanent copies of songs that can be burned onto a CD."

Healey wrote about how these and other reform-minded file-sharing networks will try to change the habits of an Internet population by not rocking their world too much from the outset. One example: charging low monthly fees for hundreds of downloaded songs from a pool that's far larger than what iTunes offers right now.

He also included the voice of a skeptic: "President **Sam A. Yagan** of **MetaMachine Inc.**, the New York company behind the popular [eDonkey](#) file-sharing network, said Monday's ruling had no effect on 'rogue' networks, foreign companies and non-commercial file-sharing programs ... If eDonkey puts out a version with restrictions that its users dislike, Yagan said, they will quickly switch to a competing network with no restrictions. 'I will do any deal with anyone where we get content and the users don't run away,' Yagan said. ... 'But there's no point in making dog food if the dogs aren't going to eat it.'"

Yagan has a good point, but I hope he doesn't end up swallowing it. iTunes is one of the proofs that legitimate online music distribution can work. If that were otherwise, it wouldn't be taking such a hit from fans wondering why the Beatles catalogue is absent.

Busting open that market with cooperation from even more major labels, while continuing to bust a few chops among the Internet pirates from time to time, could make marketplaces like Mashboxx attractive to the casual music fan -- which is what most people are.

## **Fax Are Funny Things**

We communicate mostly by e-mail at [washingtonpost.com](http://washingtonpost.com), so it's easy to forget about the still ubiquitous fax machine. One thing's for sure, though: When I take infrequent trips to the machine at our reception desk, I realize just how many trees have been sacrificed on the altar of fax spam.

Congress and the **Federal Communications Commission** know this, but each took action earlier this week that eased proposed rules on sending junk faxes. Here's the news as reported by the [Associated Press](#): "Congress approved [junk fax legislation](#) Tuesday that would allow businesses to send out unsolicited faxes in certain circumstances while protecting the rights of consumers to stop receiving them. The legislation... reinstates a 1992 Federal Communications Commission ruling that permits businesses and associations to send unsolicited faxes to those with whom they have an 'established business relationship.' It would eliminate a new FCC ruling, first drawn up in 2003, that requires businesses and organizations to obtain prior written approval before sending a commercial fax."

The AP quoted the bill's sponsor, Rep. [Fred Upton](#) (R-Mich.), as saying that the written permission rule would cost small businesses \$5,000 to comply with in the first year alone. [DMNews](#), an online newsletter for direct marketers, quoted the **American Business Media** president and chief executive, **Gordon T. Hughes II**, as saying it was a positive move.

[The Southern Illinoisan](#), offered a real-world example of how this would affect small businesses: "**George R. Trammell**, president and CEO of the **Marion Chamber of Commerce**, said he thinks the new rule would be useful in some instances, but not all. Trammell said many local businesses, including restaurants, send out daily faxes touting special services or menus. 'We get faxes all day long from companies trying to sell medicine, vacation trips and such, but we also get faxes that are locally generated that we do want to get,' he said. 'The local ones are the ones I can use and would want to receive.'"

## A Different Kind of Wireless Plan

The Richmond, Va., school board is mobilizing after administrators reported that they're spending excessive amounts of time trying to keep students from violating the school's cell phone policy, the [Times-Dispatch reported](#). One possibility? Pulverization.

"Board member **David L. Ballard** favored continuing the current policy -- with one major catch for a second offense. 'The offender's cell phone would be placed on a podium . . . and hit with a hammer,' he suggested."

Yes, Ballard meant it as a joke. But seriously, the board ended up voting 4-3 to ban the phones from schools. The board had allowed students to bring them to school as long as they were kept

turned off and stowed out of sight, the paper reported, but apparently this wasn't working out.

Elsewhere in the wireless world, polling firm [Harris Interactive](#) said Monday that nearly one in 10 American adults has gone entirely wireless, and nearly half of all American adults are thinking about it.

[The survey](#), conducted online last April among 1,088 adults, said that leaving landlines behind is a growing trend, but added that 40 percent of the respondents said they would never go all-wireless. Twenty-six percent of that group said they like the idea of safety that a traditional phone provides, while 7 percent said their cell phone signals are weak or unreliable. Nearly a third said they would reconsider if cell phone coverage improved.

### Canada's Rx Chill: A Reader Responds

[In my June 24 column](#) about Americans buying prescription drugs from Canadian pharmacies, I ribbed the Bush administration over its fear of reimported drugs bought online. I said it was funny when compared with the White House's insistence that shipping in flu vaccine from Canada was perfectly safe. Reader **Tony Jewell**, who was a press aide to Health and Human Services Secretary **Tommy Thompson** at the time (and still handles press for the Deloitte Center for Health Solutions, which is led by Thompson), said I did readers a disservice.

Jewell: "I remember the secretary making a clear distinction each and every time between the two issues - something you very clearly fail to do in your story. ... I can't help but think that was intentional, as you understand there is a difference between FDA-inspected flu vaccine and Internet pharmacies (or even non-Internet Canadian pharmacies). I write this not as a true believer in the dangers of Canadian drugs, but as a reader who sees that you mischaracterized what the secretary said. You employed hyperbole in an unfair manner, no matter what you remember him saying. It would have taken a few more words to accurately portray the issue, but your point would have been much better taken if you had."

[In a White House online chat last October](#), Thompson said the flu vaccine was subject to rigorous inspection by federal government, unlike the prescription drugs available for sale over the Internet -- whether they come from fly-by-night operations or licensed Canadian pharmacies.

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