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Newspaper Chain's New Business Plan: Copyright Suits

By [David Kravets](#)  July 22, 2010 | 3:29 pm | Categories: [The Courts](#), [intellectual property](#)

Steve Gibson has a plan to save the media world's financial crisis — and it's not the iPad.

Borrowing a page from patent trolls, the CEO of fledgling Las Vegas-based Righthaven has begun buying out the copyrights to newspaper content for the sole purpose of suing blogs and websites that re-post those articles without permission. And he says he's making money.

“We believe it's the best solution out there,” Gibson says. “Media companies' assets are very much their copyrights. These companies need to understand and appreciate that those assets have value more than merely the present advertising revenues.”



Righthaven CEO Steve Gibson is embarking on a copyright trolling litigation campaign

Gibson's vision is to monetize news content on the backend, by scouring the internet for infringing copies of his client's articles, then suing and relying on the harsh penalties in the [Copyright Act](#) — up to \$150,000 for a single infringement — to compel quick settlements. Since Righthaven's formation in March, the company has filed at least 80 federal lawsuits against website operators and individual bloggers who've re-posted articles from the *Las Vegas Review-Journal*, his first client.

Now he's talking expansion. The *Review-Journal's* publisher, Stephens Media in Las Vegas, runs over 70 other newspapers in nine states, and Gibson says he already has an agreement to expand his practice to cover those properties. (Stephens Media declined comment, and referred inquiries to Gibson.) Hundreds of lawsuits, he says, are already in the works by year's end. "We perceive there to be millions, if not billions, of infringements out there," he says.

Righthaven's lawsuits come on the heels of similar campaigns targeting music and movie infringers. The Recording Industry Association of America sued about 20,000 thousand file sharers over five years, before recently winding down its campaign. And a coalition of independent film producers called the [U.S. Copyright Group](#) was formed this year, already unleashing as many as [20,000 federal lawsuits](#) against BitTorrent users accused of unlawfully sharing movies.

The RIAA's lawsuits weren't a money maker, though — the record labels spent \$64 million in legal costs, and recovered only [\\$1.3 million in damages and settlements](#). The independent film producers say they nonetheless expect to turn a profit from their lawsuits.

"People are settling with us," says Thomas Dunlap, the head lawyer of the Copyright Group's litigation. The out-of-court settlements, the number of which he declined to divulge, are ranging in value from \$1,500 to \$3,500 — about the price it would cost defendants to retain a lawyer. The RIAA's settlements, which it collected in nearly every case, were for roughly the same amounts.

But experts say that settling the Righthaven cases, many of which target bloggers or aggregation sites, might not be as easy. The RIAA lawsuits often accused peer-to-peer users of sharing dozens of music files, meaning the risk of going to trial was financially huge for the defendants.

The same is true of the BitTorrent lawsuits. The movie file sharers are accused of leeching and seeding bits of movie files, contributing to the widespread and unauthorized distribution of independent movies such as *Hurt Locker*, *Cry of the Wolf* and others.

But each of the Righthaven suits charge one, or a handful, of infringements. Defendants might be less willing to settle a lawsuit stemming from their posting of a single news article, despite the Copyright Act's whopping damages. "You'd have to go after a lot of people for a relatively small amount of money," says Jonathan Band, a Washington, D.C. copyright lawyer. "That is a riskier proposition."

Gibson claims Righthaven has already settled several lawsuits, the bulk of which are [being chronicled](#) by the *Las Vegas Sun*, for undisclosed sums.

One defendant who is ready to settle is Fred Bouzek, a Virginia man who runs bikernews.net, a user-generated site about hardcore biker news. He was sued last week on allegations the site ran a *Las Vegas Review-Journal* story about police going under cover with the Hell's Angels.

Even if he had grounds to fight the case, he says it would be cheaper to settle. "The only choice I have is to try to raise money and offer a settlement," he says.



Bill Irvine of Phoenix says he is fighting infringement allegations targeting AboveTopSecret.com, the site he controls under The Above Network. The site is accused of infringing a *Review-Journal* article on the Gulf of Mexico oil spill. The site is a user-generated discussion on “conspiracies, UFO’s, paranormal, secret societies, political scandals, new world order, terrorism, and dozens of related topics” and gets about 5 million hits monthly, Irvine says.

Righthaven, he says, should have sent him a takedown notice under the Digital Millennium Copyright Act, because the article was posted by a user, not the site itself.

“In this case, we feel this suit does not have merit,” he says. “We are confident we will have success challenging it.”

Gibson says he’s just getting started. Righthaven has other media clients that he won’t name until the lawsuits start rolling out, he says.

“Frankly, I think we’re having tremendous success at a number of levels,” Gibson says. “We file new complaints every day.”

See Also:

- [Copyright Lawsuits Plummet in Aftermath of RIAA Campaign](#)
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- [Happy Anniversary Pirates: 20000 Copyright Lawsuits and Counting](#)
- [Court to Consider Breaking Up Mass BitTorrent Lawsuits](#)
- [Lawsuit Dropped; Claimed That Copyright-Filtering Violates Copyright](#)
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Comments (117)

Posted by: warpsix | 07/25/10 | 10:29 am |

lawyers 99% cause the rest to look bad

Posted by: Spamtrap | 07/25/10 | 10:51 am |

Actually, this has the potential for being the death knell of the media collective. Bloggers can report news before the media collective then sue for infringement. Just think how many infringements AP could generate with a single story. Steve might make his money but not from who he anticipated.

This might also inspire the formation of a Blogger or Independent News Network operating under Creative Commons.

Posted by: lecerclerouge | 07/25/10 | 11:17 am |

What a sucker, he would get more money making gay porn, he fits the stereotype. Another hungry loser...

Posted by: t2smith | 07/25/10 | 4:10 pm |

What's next? Maybe website and blog owners will start suing the Internet Archive for copying their content to the Wayback Machine or Google for copying their content to the Google cache.

Posted by: TomMariner | 07/25/10 | 4:47 pm |

I'm a techie and believer in the free Internet. But unless those who actually research the news are compensated, they will stop and we will all be reposting made-up utterances or opinions. Its not about old media vs. new media, its those who only get their copy from a copy and paste and those who are eyewitnesses. Hint — the eyewitness business is a lot more expensive, so if they aren't compensated one way, they will get compensated another (lawsuit) way.

Sure, it will rapidly become the new “medical malpractice” business where lawyers clear hundreds of millions for bringing possibly bogus suits. Hey, attorneys are extensions and a part of the court system — maybe you’d rather have hundreds of thousands of new federal court officers who would convict you by fiat.

The lesson — either pay somebody if you copy or get your tail on an airplane and shave a video camera in somebody’s face. Or, of course, write an attorney a check.

Posted by: pervleft | 07/25/10 | 7:53 pm |

the result may be blowback for media suing people. Most newspapers are bankrupt anyway. most newspapers today are simply shills, 90% for leftwing causes. studies show that almost everyone in media donated the demoncrat party. read Tucker vs. Ezra over leaked liberal e-mails at wapo. about the leftwing slimeballs and their written comments.

Posted by: jamescam | 07/26/10 | 12:02 am |

Dork!

There might be a couple bucks to be had along the way, but you’ll find no long-term value at the end of this road.

Posted by: MekhongKurt | 07/26/10 | 2:03 am |

The article mentions aggregation sites. Why go after those, unless they’re flagrantly going beyond fair use? I see it as a help, not a copyright violation, to put the headline and, say, 30-50 words from the article, max, as a teaser then a link to the copyright owners website.

This has a hint of entrapment to it. The copyrighted material is left available online, so the owner(s) of an aggregator put no more than what I said above — and they face a massive lawsuit? That’s especially true if a site, any site, has user-generated content and the site immediately removes copyrighted material once people there are made aware of it.

The article also mentions bloggers. So, if I write on my blog or Facebook page “Hey, I just read this great article listing five little-known ways to do X! Here’s the link!” I might get SUED? How about I charge them for my time and the acreage on my blog? Couple hundred thousand is the starting bid, ladies and gentlemen — in euros, please.

Jeez, as a writer myself, I *believe* in copyright protection, but some of this crap is really over the top.

Posted by: rebeccahigh | 07/26/10 | 9:47 am |

I read Usenet newsgroups all the time. Many news articles are quoted, linked, and pasted in their entirety there. Is this dirtbag going to troll Usenet too?

Posted by: TheGoldTooth | 07/28/10 | 8:37 pm |

Perhaps it’s just the angle, but from the photo it looks like the guy has a pole up his ass. That would at least explain the unusually self-satisfied but repellent look on his face. Can you imagine a mother telling friends proudly that her son is a lawyer when he makes his living bottom-feeding like this? No, neither can I.

Posted by: KalanStar | 07/29/10 | 7:01 am |

Or, here's a better idea. On youtube, if you post copyrighted material, such as news, the owner of the content can place ads on your video page that they make profit from rather than prosecuting you for stealing their material. It's actually a very good solution for the news organization because someone else did the job of cutting and uploading the content another company is paying for the servers and bandwidth to host it while the original owner makes per click profits or has a free platform for their own advertising. Maybe an international web law requiring hosts of forms like this to provide a free ad spot to the original copyright holders only on the page where the copyrighted material is displayed if a complaint is filed would be a good idea??? That way, web sights could allow the reposting of news making their sight more dynamic and informative thereby boosting user-ship and profits, while the news organizations could also increase profits and exposure. Meanwhile, dickheads like Steve Gibson in the above article would have to get a real job and contribute something to society!

Posted by: CaptApple | 07/29/10 | 9:26 am |

This guy's a V, right. I mean, you can almost see the rat's tail hanging from the corner of his mouth. Pure reptile.

Posted by: tegan | 07/30/10 | 1:18 am |

All I see in the picture is a thief wearing 1/2 a suit. After years of screwing the rest of us he still can't buy matching pants?

Posted by: tallthatsall | 08/8/10 | 10:35 pm |

These actions can only be compared to extortion. With no intention to offend mobs, thugs and street gangs, this law firm falls directly into the category of same.

Posted by: ionlyneedit | 08/12/10 | 11:08 am |

How do we know lawyers (or an agent under their direction) don't post infringing content to some obscure part of a busy site, then come back in six months and sue the site owner? Business a little slow? Just hire some anonymity vendor on eLance to go post a couple articles to huge forums and wait a few months. Money in the bank!

There's way too much room for abuse and predatory behavior in this type of a cherry picking enforcement system.

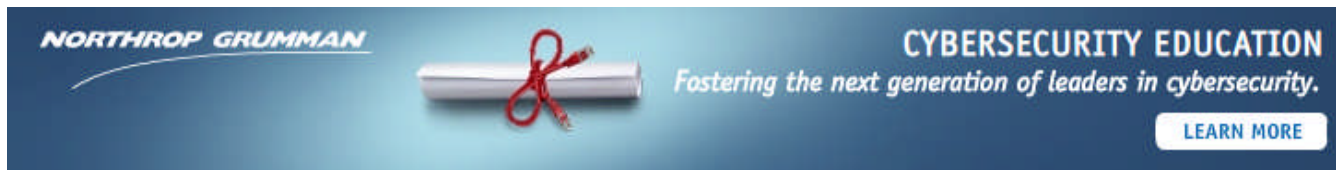
Posted by: lucielucie | 08/20/10 | 9:02 am |

Douchebag 😏


Posted by: Owen14 | 10/25/10 | 1:39 am |

I didn't know Gibson was a Jewish name

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