

Statement of John Lapham
Senior Vice President, General Counsel of Getty Images

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“Innovation in America: The Role of Copyrights”

Thank you for the opportunity to testify today. I am John Lapham, the Senior Vice President and General Counsel of Getty Images, the leading provider of news, sports, entertainment, archival and creative imagery in the United States. You see Getty Images’ award winning imagery every day in the world’s most influential websites, magazines, advertising campaigns, newspapers, films, television programs, and books. Founded in 1995 by Jonathan Klein and Mark Getty and headquartered in New York and Seattle, Getty Images has been publicly traded on both the NASDAQ and NYSE. With U.S. offices in Chicago, Los Angeles, Mclean, VA, Madison, WI, New York, Seattle, and Washington, D.C., Getty Images supports 2,000 employees and more than 150,000 photographers. Getty Images has offices in 18 countries, sources content from more than 180, and serves business customers in more than 200.

Getty Images pioneered the solution to aggregate and distribute visual content and was the first company to license a picture on the Internet. Today, nearly 100% of our business is conducted online. We license 200,000 images to customers every day, and our collection consists of more than 71 million images online; 70 million in archive; and 40,000 new pictures uploaded daily, as well as 1.3 million creative and editorial video clips. The images cover a diverse set of subjects designed to address all types of customers’ needs, and are licensed primarily through the industry’s leading websites including gettyimages.com, istockphoto.com, and thinkstock.com.

Getty Images is the primary distribution channel for many content creators and has a significant impact on the digital and copyright economy. Getty Images’ content comes from a number of sources including the more than 150,000 photographers and videographers, illustrators and musicians for whom we manage rights, all of whom are their own proprietors and entrepreneurs.

The photographers range from global award winners to semi-professional or hobbyists. Content also comes from Getty Images' partners, as we are the distributor for more than 300 iconic brands including National Geographic, Disney and Discovery. While copyright ownership varies across our library of content, copyright, and its accompanying rights and permissions, are the foundation for our business and that of the creative professionals and image libraries that we represent.

Consequently, strong and effective copyright laws that protect the right to license, and not just use creative works in today's digital economy, are absolutely critical for our growth and that of the many thousands of contributors and businesses we represent.

Getty Images' editorial team includes two Pulitzer finalists and a White House News Photographer of the Year. Our 24/7 coverage provides images and video of current events to thousands of news organizations and other media publishers, ensuring that the events in troubled parts of the world are brought to light. Our photographers have been placed in dozens of military embeds. We also enjoy relationships with most major sports entities globally including the NBA, MLB, and NHL, with coverage for more than 75,000 events annually. Getty Images also licenses more than 100,000 original music tracks from over 10,000 independent musicians.

Today, we serve more than 1,000,000 customers through our wide range of licensing models and price points. Many of these customers are small and medium-sized businesses that depend on powerful imagery to entice and engage customers. Through a team of more than 450 technology and 550 sales employees, we facilitate an essential marketplace where photographers of nearly every genre and skill level know they can be properly compensated for contributing to the creative ecosystem. We do have challenges with copyright infringement, and expanded perceptions of fair use. To counter this in part, we invested in leading technology to pursue and be paid for pirated content not just for Getty Images but our competitors as well. This effort is not a total solution, as legislation can provide important tools to protect creators by preventing the abuse of copyrighted works. Without laws protecting creative works from prolific free use online, the \$7.5-8.0 billion market for visual content and the hundreds of millions in royalties paid to creators of copyrighted works would collapse. We believe copyright laws can and should protect and encourage creative content as well as it protects the technology and technology companies that assist in search and distribution, as inspiration for creation suffers if people are not properly compensated.

Getty Images' distribution of creative content is made possible by our investment of more than \$450 million in a global technology platform. Our technology permits the rapid search and licensing of intellectual property for a multitude of creators and media consumers, permitting customers to, in turn, create and innovate. We are able to post new editorial images online within minutes (or less) of photographer transmission from news, sports and entertainment events. For instance, in the last presidential inauguration, an editor noticed the sun coming up over the Capitol dome, an iconic shot on inauguration days. Our editor relayed the request for the shot on the radio from our trailer on the south-west lawn of the Capitol to our photographer John Moore on the grandstand. He turned and shot, and his images travelled through cable to the trailer. An editor selected a photo, attached metadata and posted to our site for licensing. By the time the sun crested over the dome the Washington Post was using the image on the online home-page of its website.

The demand for content will only continue to grow, and the vast market for properly licensed creative works can be enhanced with laws protecting creations even in an overwhelmingly digital era. People today have more ways to communicate and more devices with which to consume information than ever before. The continued expansion of websites and devices with spectacular visual displays increase the opportunities for content creators, as a greater number of businesses require rich digital content for their marketing and educational uses. The continued growth in use of the Internet as a forum to develop small and medium sized businesses is projected to increase markedly in the years ahead, as today just over one-half of small businesses have websites. With proper copyright protection and continued technological innovation, we can assist this growth, and continue to invest and employ as we do so. The Committee's continued vigilance to advance, protect, and enforce copyright laws is critically important to Getty Images' ability to innovate, create jobs, and ensure that the United States maintain its competitive edge in the global digital marketplace.

I would like to thank the Committee for the opportunity to testify. Our goal in reviewing licensure laws should be to protect creativity and still allow for an active and intelligent marketplace for searching and licensing creative works. When we do so we can all benefit from content that moves, inspires, provokes, educates and encourages. Getty Images welcomes any future opportunity to assist in this dialogue.