



**A Prescient Start-up in Toronto**  
**Interview with Roanie Levy, CEO, Access Copyright**

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**KENNEALLY:** Blockchain technology can be defined as an open, distributed ledger that can record transactions between two parties in a verifiable and permanent way. In Toronto, an innovation laboratory called Prescient expects to use blockchain so that writers, artists, and other creators can identify, control, and monetize their works.

Welcome to Copyright Clearance Center's podcast series. I'm Christopher Kenneally for Beyond the Book.

On the World Wide Web as we have known it so far, books, photographs, art, and music have all suffered an identity crisis. Creators struggle to identify their works permanently and confidently. It is also nearly impossible for them to monetize those works consistently and reliably.

At Prescient, digital tools are in development to establish a reliable and authoritative connection for works of art and expression with their content creators and audiences. Roanie Levy serves as CEO and president of Access Copyright, a collective that distributes millions of dollars annually in licensing royalties to creator and publisher affiliates across Canada. She also leads Prescient, Access Copyright's creator-focused innovation lab dedicated to exploring the future of rights management and content monetization through blockchain and other technologies. Welcome to Beyond the Book, Roanie Levy.

**LEVY:** Thank you very much, Christopher. Thank you for inviting me on.

**KENNEALLY:** Well, it's a great opportunity to continue our exploration of blockchain and its relationship, its future potential for publishing. We really do need, though, to presume that many in our audience are still working out what this is all about. So, can you give us your brief story on blockchain and particularly its applications in publishing and media?

**LEVY:** OK. Well, I like to go back to the definition of blockchain by Klaus Schwab. He's the founder of the World Economic Forum and the author of *The Fourth Industrial Revolution*, which I would recommend to anybody who's trying to understand kind of what's coming at us. He writes that in essence, the blockchain



is a shared, programmable, cryptographically secure, and therefore trusted ledger which no single user controls and which can be inspected by anyone. So essentially, it's a ledger that is shared by many, that is programmable, and that means that there could be a code, a piece of software that can execute that is held in the ledger. It's secured by cryptography. And no single user controls it. What's most important in the definition is that it can be inspected by anyone. That's what makes this ledger so special.

From a publishing perspective, blockchain creates opportunities like peer-to-peer sales, near-instant royalty payments, and even invites the audience as an investor in the creative work.

**KENNEALLY:** So, these virtues of blockchain are important – this transparency, this self-containment – all of these things certainly move us forward and establish blockchain as kind of a trust machine. What do you mean by that?

**LEVY:** Yes. What's important to keep in mind is that the trust that people refer to when they call blockchain a trust machine is the trust that the information was recorded in the blockchain and was not changed. It is not trust that the information is automatically correct. The trust really comes from the transparency the blockchain affords. Now, everyone can see, inspect, audit what has been recorded. That's what makes it so transformative.

**KENNEALLY:** Why would Access Copyright and Prescient, its subsidiary, begin to look at blockchain? What kind of potential do you see?

**LEVY:** Similarly, to CCC, as you mentioned in the intro, Access Copyright is a copyright management organization, and we operate out of Canada. We were created about 30 years ago to manage to reuse rights of published work, such as textbooks, trade books, newspapers, magazines, and journals. And at the time, we were responding to the disruptions created by the photocopier. Of course, today, we also deal with digital uses of works.

So, our deep understanding and experience in rights management really bring a unique perspective to the developing blockchain economy and what creators and rightsholders need from it. We see the opportunity to change the digital landscape for creators. With the internet, as you also mentioned in your opening remarks, creators and publishers were the recipients of the technology. We want to create a world where rightsholders are the architects of the emerging technologies and ensure that they can optimize the monetization of their content when it's used in a digital space. And we're doing this through Prescient Innovation, which is a wholly owned subsidiary of Access Copyright and one of the few organizations



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globally that is dedicated to exploring blockchain and other exponential technologies to benefit creators and rightsholders.

**KENNEALLY:** Well, this exploration you're describing, Roanie Levy, has recently received a boost from the Canada Council for the Arts. Earlier this month, in July 2019, you announced you'll be receiving a grant of \$495,000 to move all this forward, to foster and promote visual arts through this creator-focused technology. It's an interesting place for an organization like Access Copyright and its subsidiary Prescient to be. Tell us how this journey began and the way you developed a proof of concept in peer-to-peer book sales.

**LEVY:** So, we started our journey a few years ago. We were doing research on the future of rights management. And time and time again, blockchain was heralded as the savior of creators and creative industries. As you know, the internet brought about a golden age of content consumption, yet we also know that creators and rights owners don't always benefit. They're often exchanging analog dollars for digital pennies and dealing with rampant piracy.

The blockchain promises that we were hearing about were really exciting. They also sounded too good to be true. So, we decided that the only way we were going to truly understand the technology and its promise was if we started to experiment with it. That's what led us to building a proof of concept to explore the fan-to-fan sale of an e-book. So, from P2P sharing, which almost took down the music industry, we went to P2P selling.

**KENNEALLY:** So, what does that look like? What does a P2P sale involve?

**LEVY:** Let's say I'm reading an e-book that I think you, Christopher, would really enjoy. So, I sent you the copy of the e-book, and you start reading the book and can read to a certain predefined page by the publisher. Let's say it's the end of Chapter 4, because something really exciting happens in Chapter 5. And if you read this far, then you'll certainly buy the book. At that point, when you get to the end of Chapter 4, you are prompted to pay to unlock the rest of the book. Using a smart contract, the payment is then automatically redistributed to the publisher, the author, perhaps even the jacket cover artist and the photographer who took the portrait of the author, and also a reward is given to the fan – in this case me – who has stimulated the sale of the book.

**KENNEALLY:** All right. So where does this lead to? This is where you've begun to develop at Prescient an attribution ledger. How does that enter the picture, and how is it going to solve some of the problems that creators have experienced online up to now?



LEVY: It was really exciting to do this work and to actually see the proof of concept come alive. The experience gave us a small glimpse into what the future may hold. And it confirmed to us that blockchain holds incredible promise. Rightsholders can determine licensing terms. There's near-real-time royalty payments and P2P sales, which can actively involve and reward fans.

However, we also witnessed kind of like a dark side of blockchain. We kept asking ourselves, who would ensure that the creative works that are circulating in these blockchain-enabled services and smart contracts are linked back to the rightful owners? We looked around at the other blockchain projects that dealt with creative works, and we kept seeing the same thing. It's what we ended up calling blind trust. Essentially, all that was required of the person uploading the information was to click the I own the copyright box – exactly what happens today. The fear, of course, is that the game of whack-a-mole that creators today play – your work shows up without authorization in one place. You send a notice and takedown. It's been taken down. It shows up again somewhere else in another place. This game of whack-a-mole in this Web 3.0 has the risk of being on steroids.

In a blockchain environment, the incentive for bad actors are really high. Now, monetary exchanges are possible with blockchain. It's not just about more eyeballs to a site that generates ad revenues. This is when we really came to appreciate that the real problem to solve was the attribution problem. Otherwise, we'll see the existing challenges caused by the internet just proliferate in Web 3.0.

This is when we started looking at what solving attribution might look like. And we define attribution as the ability to connect a creative work to its lawful creator and rights owner in a reliable and authoritative manner. The ledger would provide a reliable and authoritative connection between three things – the work itself, the creator and rightsholders, and data related to the works.

So, imagine if before a digital platform allows a creative work to be uploaded and circulating on their service, the creator and rightsholders are verified so that the correct person is compensated when the work is used. Once you have reliable and authoritative attribution as the underpinning of these other services, the blockchain promises we were hearing about can now come to fruition for the benefit of creators and publishers and rights owners.

KENNEALLY: Right. And for those rights owners – the creators, the publishers, the artists, and so forth – this is about creating a real business opportunity for them. It is important that they have an assertion of their rights and their ownership, because



they have done so much work to put that work into the public space. But really, they're hoping to realize some benefit from it.

LEVY: Absolutely. And in addition to allowing that connection back and ensuring that the content that's circulating is circulating with proper authorization, this new technology, blockchain, will allow better rights protection. It will also over time introduce new revenue channels that will be enabled through self-executing smart contracts that can automate licensing and royalty distribution. It would allow users to invest directly in a creative work and benefit financially from its success.

On the other side, from the user's perspective, it ensures that the content that they're interacting with is trusted content – content which has been reliably and authoritatively attributed. So, everybody really wins.

KENNEALLY: What's the timeline for all of this, Roanie Levy? Is there an expectation for when some of these tools may become available, and are you looking for partners to work with you on this?

LEVY: Yes, absolutely. The only way to really make this happen is to work with other creator and technology organizations and to partner with them. As you mentioned as well, we have already started partnering with three visual arts organizations in Canada. Through that partnership, we were able to get a grant – a nice grant from the Canada Council for the Arts for the building of essentially a trace and tracking service for visual arts that we're referring to as the Visual Art Passport. And we invite other associations to reach out to us to partner and experiment and work together on the build-out of Web 3.0.

We'll have the initial version, the beta, of the attribution ledger, the Visual Art Passport, as well as the fan-to-fan sale of an e-book service that started our journey – we plan on having that beta version available for a select group of creators later this year.

And I'd like to take a moment to also let your audience know that we have several working groups of writers, visual artists, and publishers to help ensure that as we build out these services, they're meeting their needs. I would invite anyone who would like to join one of these working groups to reach out to us through the Prescient website at [prescientinnovations.com](http://prescientinnovations.com).

KENNEALLY: One last question, Roanie Levy, which is the Canadian context here. One of the potentials for blockchain and the work you're doing at Prescient is to begin to create a kind of comprehensive cultural record for Canadian art.



LEVY: Yes, absolutely. That's a really important component of the work that we're doing with CARFAC and Copyright Visual Arts and the Quebec-based association, *Regroupement des artistes en arts visuels du Quebec, RAAV*.

KENNEALLY: Well, we wish you the best of luck with all your work. We've been speaking today on Beyond the Book with Roanie Levy. She serves as CEO and president of Access Copyright and leads Prescient, Access Copyright's creative-focused innovation lab that's exploring the future of rights management and content monetization. Roanie Levy, thank you so much for joining us on Beyond the Book.

LEVY: Thank you, Christopher. It's been a pleasure.

KENNEALLY: Beyond the Book is produced by Copyright Clearance Center. Our co-producer and recording engineer is Jeremy Brieske of Burst Marketing. Subscribe to the program wherever you go for podcasts and follow us on Twitter and Facebook. The complete Beyond the Book podcast archive is available at [beyondthebook.com](http://beyondthebook.com). I'm Christopher Kenneally. Thanks for listening and join us again soon on CCC's Beyond the Book.

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