# A Tale on Decentralizing an App: the Case of Copyright Management

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#### The purpose of Blockchains

Nothing

All



The purpose of Blockchains

All

#### The purpose of Blockchains in Copyright Management



### The Role of Collective Management Organization (CMO)



#### From a Centralised to a Decentralised Approach







### The Interested Party Information (IPI)



I I and in a	Chart description	Continution	E
Heading	Short description	Cardinality	Example
$base\_no$	Interested Party (IP) base number,		I-001068130-6 identifying the
	unique identifier of a right holder		rights holder
name_no	IP name number, additional		00334284961 identifying a
	identifier of a rights holder		pseudonym of the rights holder
name	IP name		Rossi Mario
cmo	Collecting Society	~200	SIAE, SUISA
cc	Creation class	16	Musical Work, Dramatic work
ro	Role	34	Musical creator,
			Book publisher
ri	Right	26	Performing right,
			Re-transmission right,
walid from	The date from which the right		01.01.2017
	management is given to the collecting society		
valid_to     The date until which the right management is given to the collecting society	0	21 12 2017	
	management is given to the collecting society		51.12.2017
share	The percentage of right the CMO is in charged		1009 759
	to collect		100 %, 7 5 %,
terr	The territory in which the CMO is in charge	220	Italy, France, Europe, North
	of the right management		America, World

Agreement: (*name\_no*, *cmo*, *cc*, *ro*, *ri*, *share*, *terr*, *valid\_from*, *valid\_to*)

On the Identity... assumption

The identity of the right holder (i.e. *name\_no*) is centralised and handled by the CMO

Why **Algorand** 

- Scalable
- Cost Effective

What is the best we can achieve with platform(s)?

The solution has been developed with ASA (Algorand Standard Assets)

Stateful smart contracts, have been announced and released in the final stage of the project and open new possibilities.

#### **Reference Solution**



Token generation is centralised: CMOs verifies off-chain that ASAs are well-formed (no duplicates) and, ultimately, issues the new ASA representing the artistic right.

#### **Dispute resolution**

First in chain wins!



#### NEWS

MAR 24, 2021

#### SIAE, Italy's largest collective management organisation, represents authors' rights as digital assets managed on the Algorand blockchain

By: Società Italiana degli Autori ed Editori (SIAE)

SIAE launches more than 4 million NFTs on Algorand for 95,000+ creators

Rome, 24th March 2021- Società Italiana degli Autori ed Editori (SIAE), the Italian major copyright collecting agency founded in 1882, and Algorand, a leading blockchain platform accelerating the convergence of decentralized and traditional finance, announce the first major milestone of a project to create a blockchain-based open platform that allows transparent and efficient management of authors' rights.

#### **Optimistic Solution**



## By Design: basic



- A = <<u>cc</u>,<u>ro</u>,<u>ri</u>,terr>
- constraints: local storage can host 16 local variables, each 128 bytes long and structured as key/value

16×128×8 vs 16×34×26×200

#### By Design: Advanced

in-chain off-chain SC A<sub>11</sub> | A<sub>12</sub> | A<sub>13</sub> -root1. A<sub>21</sub> A22 A23 LocalStorage RHpk key1: root1, root2, root3 A<sub>31</sub> A<sub>32</sub> A33 H<sub>11121321</sub> key2: root4, root5, root6 H<sub>2223313233</sub> H<sub>1112</sub> H<sub>1321</sub> H<sub>13</sub> H<sub>21</sub> Matrix ٨

A21

Reference Solution	Optimistic Solution	BitMatrix Solution	MerkleTree Solution
+ easy to implement	+ easy to implement	+ easy to implement	- moderate to implement
- no on-chain lookup to the state of the system	+ efficient on-chain lookup to the state of the system (single transaction)	+ efficient on-chain lookup to the state of the system (single transaction)	+ efficient on-chain lookup to the state of the system (constant number of transactions)
	<ul> <li>no double-spending prevention</li> <li>by design</li> </ul>	+ double-spending prevention by design	+ double-spending prevention by design
		<ul> <li>limited storage space</li> <li>(~16k elements)</li> </ul>	+ larger storage space (~1.5M elements)
			- Not unbounded storage space

Are there other competitive platforms in terms of costs/latency allowing to verify snarks in smart contracts?