

The 2006 Regulations define a step-by-step process that NSPs employ to avoid contributory liability in online copyright

within each district to handle all intellectual property claims to further their specialization with such claims.¹³² However, with the rise of internet piracy, the quantity of claims continues to grow, increasing the workload for these courts.¹³³ The problem worsens when a decision depends on an administrative agency that has not had sufficient training and practice with copyright claims. Administrative agencies, in the spirit of the dual-enforcement system, structure themselves to decide cases in a short period of time, and it may not allow enough time for discovery or detailed analysis of the facts.¹³⁴ Thus, decisions made

in haste by personnel who still have a developing understanding of Chinese copyright laws may lead to inconsistent or incorrect results, especially when the agency is not bound to prior decisions.¹³⁵

The lack of national uniformity in copyright adjudication also leads to vastly different results among the courts. Unlike US law where copyright claims are strictly a matter for federal courts, China

China possesses the world's largest and fastest growing e-commerce market.¹⁴⁹ Furthermore, China's strong mobile market provides a great opportunity for streaming music companies to exploit.¹⁵⁰ With current global trends shifting away from download business models, and toward streaming models, China may realistically become the largest consumer market for streaming music services.

A. Streaming vs. Downloading

The two digital distribution models possess characteristics that are inherently different. Thus, the two utilize differing distribution

Proprietor of content also favors streaming music services in a

E. *Congruence with “Access Public Interest”*

Finally, current models for music streaming services, especially

ad-supported models, do not compete, but rather align with China’s concept of “access public interest” by making digital music available to the public at virtually no cost. Consumers get to enjoy music content seemingly for free on the music platform, or for merely a small fee, if they are paying for an ad-free version of the platform. This model benefits both the copyright holders and public interest by granting access to the public while the interests of the rights holders are preserved through remuneration in the form of licensing revenue.

CHALLENGES OF THE STREAMING MUSIC MODEL

est cellular networks are state-owned.²¹¹ Because of this, any policy that favors rights owners and urges the cellular networks to give up a greater share of earnings takes money directly out of China's pocket.²¹² As such, it is not likely that the state will push for that general policy or enact any statutory royalty requirements for mobile music content. It would appear that the license agreement between cellular networks and rights holders is more of a formality than a product of sound negotiation; the 2% is merely being offered to satisfy the remuneration requirement under Chinese copyright laws.²¹³ Until rights owners have alternative revenue streams for which they can rely and survive independently from the cellular networks, rights owners will have little bargaining power in future negotiations with cellular network providers. Thus, China's music industry must find ways to capitalize on the potential market available for digital streaming licenses.

VI. CONCLUSION