

**For public register**

10 October 2014

Australian Competition and Consumer Commission  
GPO Box 3131  
Canberra ACT 2601

**By EMAIL:** [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au)

Dear Sir/Madam

**Communications Alliance Ltd - Application for Authorisation A91453  
iiNet Submission to Australian Competition and Consumer Commission**

**An overview of iiNet**

iiNet is Australia's second largest DSL Internet Services Provider and the leading challenger in the telecommunications market. iiNet is a member of the Communications Alliance Ltd (**Comms Alliance**). This letter sets out the views of iiNet in relation to Comms Alliance's application for authorisation A91453 to the ACCC (**Application**).

**Views on the Application**

iiNet does not condone online copyright infringement in any way, shape or form. iiNet's own longstanding advertising policy is to prevent its advertising material from appearing on websites that it deems inappropriate. This includes websites that promote or engage in peer- to-peer file sharing and online copyright infringement. This policy has been clearly communicated to iiNet's media agencies who work with iiNet on its online advertisements. iiNet understands that other industry members may have similar arrangements in place. However, such isolated individual efforts are unlikely, on their own, to have a significant impact in reducing online copyright infringement. iiNet considers that a coordinated effort by industry would be more effective. Industry coordination operates to:

- raise industry-wide awareness about the effect of advertising on websites that promote or engage in online copyright infringement and
- provide industry members with centralised information and guidance on how to prevent their products and services from being advertised on these type of websites.

iiNet wholly supports the approach proposed in the Application. This approach establishes a voluntary arrangement for Comms Alliance and its members to take steps to prevent their products and services being advertised on websites that derive significant advertising revenue from online copyright infringement.

iiNet notes that this strategy (known as 'Follow the Money'), has already been adopted with some success in the United Kingdom<sup>1</sup>, with similar strategies currently being implemented in Italy, Germany, Finland, the United States and Spain. While this Application by Comms Alliance is proposing to lead the way in championing the 'Follow the Money' approach in Australia, iiNet hopes that other industries will follow this lead.

iiNet supports legitimate business models and the availability of creative content through lawful means. iiNet supports a thriving creative sector in Australia and believes that the proposed arrangement may contribute to an overall reduction in online copyright infringement in Australia. We consider that the potential for any anti-competitive detriment arising from the arrangement is minimal particularly where participation by industry members in the Comms Alliance arrangement is voluntary.

### **Conclusion**

The public benefits arising from the proposed arrangement far outweigh any anti-competitive detriment. It is iiNet's strong view that the ACCC should grant authorisation to the Application.

If the ACCC has any further questions, iiNet would be pleased to assist.

Yours faithfully

Stephen Dalby  
Chief Regulatory Officer  
iiNet Limited  
[sdalby@staff.iinet.net.au](mailto:sdalby@staff.iinet.net.au)  
Phone: 08 9213 1371

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<sup>1</sup> "Follow the money: Financial Options to Assist in the Battle Against Online IP Piracy": Discussion Paper by Mike Weatherley MP, Intellectual Property Adviser to the UK Prime Minister, June 2014.