

Fair Use or Fair Abuse? Deconstructing YouTube's Revenue Sharing and Copyright Protection Mechanism

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How does YouTube make money off its videos? How can users actually profit from their YouTube views? As one of the most popular platforms on the internet, YouTube has attracted the attention of many advertisers and sponsors. However, the way YouTube manages its two-sided market remains unknown. To make matters worse, the entanglement of copyright embedded in each video also creates another complication. This paper analyses the way in which the YouTube revenue sharing mechanism is developed among its users, particularly for copyrighted contents. We found evidence that there was an alignment between YouTube internal policies with the country's regulation in relation to copyright protection. Using the case of Indonesian law, the actions taken by YouTube as the revenue sharing manager are in accordance with the Copyright Act, especially with provisions relating to collective management institutions. We also found evidence that it is important to regulate the digital sphere, particularly to content sharing and distribution over a digital platform.

Keywords: *Content Sharing, Digital Platform, Revenue Model, Platform Regulation, Indonesia.*



Introduction

Unarguably, YouTube has become the most popular video site in the world after it was taken over by Google in 2006. The takeover was carried out by Google by buying YouTube shares worth US\$1.6 billion (Hunt, 2007). This corporate action also makes Google the majority shareholder and owner of YouTube. After a year of takeover, YouTube had been visited 72 times each month, with more than 100 videos watched every day. In 2018, YouTube was visited 1.9 billion times each month and more than 5 billion videos were watched every day (Aslam, 2020). These improvements make YouTube one of the most popular video-sharing media globally.

As a pioneer of web 2.0, YouTube gives users the opportunity to manage their own content on YouTube.¹ This means YouTube users have the flexibility to manage video content on their channel without interference from YouTube. The freedom of YouTube users to manage their own content allows creators to take various actions related to their content. One of these actions is to adjust the content to the Content ID system in which there is a monetisation feature. By using this system, YouTube users can resolve disputes or problems that arise related to ownership of video content independently. Although creators can self-regulate and resolve disputes arising in connection with the use of content between creators, YouTube continues to provide assistance to creators.

The increasing number of YouTube users, especially creators, creates a network effect that encourages other creators to switch to using YouTube – this is particularly important for user-based innovation (Iman, 2018). Inevitably, YouTube, which was previously only a place to channel users' hobbies and creativity, is now a place to earn income through monetisation (Holland, 2016). YouTube provides monetisation features for content creators who are actively uploading content and have met particular requirements specified by YouTube.

Monetisation features are features provided by YouTube to content creators to earn revenue for each ad that shows on their videos (Soha et al., 2016). Revenue from ads that appear on the video uploaded by the creator is often referred to as ad revenue. As long as the ad appears within the creator's video content, creators who own the video content automatically get revenue from the ad. This policy is not limited to whether the ad is skipped or watched until the ad ends with the audience or YouTube users or not. As long as an ad appears on video content, YouTube and the content creator whose video content is inserted by the ad automatically earns revenue from the ad (Perry, 2016).

¹ Web 2.0 is the development of web-based technology that allows users to gain control over what can be done online (van Dijk, 2014).

Revenues from these advertisements are shared by YouTube and the creators concerned. YouTube gets 45% of the shares, while creators get 55% of the revenue from ads that appear on their video content (Rosenberg, 2020). Content creators must have a minimum of 1000 subscribers and have fulfilled airtime of 4000 hours in a period of 12 months or one year (YouTube, 2020). For content creators who have a large number of subscribers and viewers, YouTube will only take 25% of the revenue from the advertisements that are served, and the remaining 75% is given to the creators concerned (Perry, 2016).

This paper focuses on two main questions. First, how does YouTube implement a revenue-sharing system for video content that violates copyrights by using Content ID? Content ID is a system that is only owned by YouTube and currently is not regulated in any legal provisions. Second, how can YouTube's actions in implementing the revenue sharing system be reviewed with the Copyright Act in Indonesia, particularly Law Number 28/2014 Regarding Copyright? YouTube is not located in Indonesia, and every corporate action and contextualities are based on the law in the United States.

Theoretical Background

In this study, we review the legal objectives based on the theory of legal protection and the theory of justice. According to Hans Kelsen, the law is a rule system as a system of rules about human behaviour (Asshidiqie and Safa'at, 2006). He also believes that law is a coercive order against human behaviour. Based on the aforementioned legal understanding, it can be concluded that the law is a collection of interrelated orders that become a system in society and its implementation, the law has a coercive nature.

On the other hand, Sudikno Mertokusumo (1995) posits that law is a collection of rules or rules in a shared life, all the rules regarding behaviour that apply in a shared life, which can be enforced with a sanction. Understanding the law, according to both authors is quite similar: a collection of regulations governing human behaviour is coercive and has sanctions if violated.

Meanwhile, Satjipto Raharjo (2000) believes that legal protection is the provision of protection for human rights that are harmed by others and that protection is given to the community so that they can enjoy all the rights granted by law. From the definition of legal protection, the law has a purpose and function to protect the rights of each individual so that it is not taken by other individuals. In that case, the law made must be able to guarantee the rights of every individual.

Legal protection theory is used to analyse how YouTube provides proper legal protection to content creators whose video content is used by other content creators without the permission of the content creator who owns the content. Legal protection theory is also used to ensure that

content creators whose content is used by other content creators still get their exclusive rights, especially economic rights over the use of content used by other content creators.

The theory of justice, based on John Rawls (1971), states that justice has two basic principles, namely equality of rights, especially freedom, and social and economic equality. He argues that justice does not always mean the same and the inequality can be justified as long as it benefits everyone. John Rawls (1971) also mentioned that the principle of justice must be arranged in sequential order. He emphasised that inequality is meant only in economic terms; besides that, justice must guarantee freedom and social equality. Further literature explained that inequality could be justified as long as it can benefit everyone (Anshori, 2016).

The theory of justice, according to John Rawls, has similarities with the purpose of the law, namely that it must be able to provide benefits to each individual. The value of expediency is also often emphasised in laws relating to intellectual property rights. Every form of creation or product of the results of human thinking must be able to have benefits to the wider community. Justice theory is used to ensure that actions taken by YouTube have given justice to content creators and rights owners for video content, especially those related to revenue sharing or revenue sharing for the use of content carried out by content creators who do not have economic rights to the original content.

Content can be defined as information available through media or electronic products. The information referred to is information in the form of video or audio and visual information – both are very relevant in the digital cyberspace (Lessig, 1999). While the media or electronic products referred to in this study are YouTube as one of the electronic mediums that allow users to share videos online. Thus, video content referred to in this study refers to information in the form of video available through a medium called YouTube.

Content is also defined to be a creation. That is because the content is a work that was created or created by one or several creators. The Copyright Act does not contain content terms, and the terms that are most relevant to the content in the Copyright Act are inventions. Based on Article 1, Number 3 of Law Number 28/2014 Regarding Copyright: “Creation is any work of copyright in the fields of science, art, and literature that results from inspiration, ability, thought, imagination, dexterity, skill, or expertise which is expressed in the real form.” From this understanding, creation is the result of human thinking made in the original form. Works that have not been made in tangible form or are limited to ideas or ideas are not included in the work, so the Copyright Act in Indonesia only protects a work that has been made in original form.

More specifically, the content referred to in this study is content that only relates to works or creations made in audio and visual form. In the Copyright Act, creations made in audio and

visual form are called cinematographic works. Based on the explanation of Article 40 of the Copyright Act, cinematographic works are creations in the form of moving images, among others documentary films, advertisement films, reportages or story films made with scenarios, and cartoon films. Cinematographic works can be done on celluloid tape, videotapes, video records, optical discs and/or other media that can be shown in theatres, widescreen, television, or other media. Cinematography is an example of an audio-visual form.

From the aforementioned explanation of the article, it has been clearly stated that cinematographic works are creations that contain moving images and have sound. Moving images and sound can be loaded in the form of video, considering a video is a form of realisation of audio and visual. So, the content referred to by the authors in this study is audio and visual information.

Moreover, content creators are people who create content periodically to be uploaded to digital media in order to get an audience (Chau 2010). Content created works in the form of articles, music, and videos and uses this artwork to be uploaded online through digital media platform to get visitors. In this study, content creators are also interpreted by the author as the creator who makes cinematographic videos in the form of content. In addition, we also interpret the content creator as the creator, according to the Copyright Act in Indonesia – the most appropriate term for the content creator.

Departing from such explanation, revenue sharing can be defined as an act that is carried out to continue the income generated by a party that utilises a work or work to a party who has rights to the content or work (Chai et al., 2007). In web-based social software, revenue sharing is based on income derived from advertising, collaboration programs, or other activities that use or utilise content or creation owned by the rights owner. The acquisition of revenue will later be carried out by the owner or manager of the website to those who have limited content or creation. The principle applied in revenue sharing has similarities with the principle of applying royalties.

On the other hand, however, based on Article 1 number 21 of Law Number 28/2014 concerning Copyright: “Royalties are compensation for the use of economic rights of a creation or related rights product received by the creator or owner of related rights.” The reward is the same as what is meant by revenue sharing. Considering revenue sharing is the distribution of income from the use of economic rights of a work. Therefore, revenue sharing and royalties are pretty much the same thing.

Our study is timely and relevant, particularly in relation to the fast-paced evolution and unique challenges of disruptive innovation. These massive changes require a paradigmatic shift from law and government towards a more comprehensive governance approach (Mefford, 1997).

Thus, the concept of *lex informatica*, or forming information policy rules via technology (Reidenberg, 1997), becomes very relevant (see Table 1).

Table 1: Lex Informatica versus Legal Regulation

	Legal Regulation	<i>Lex Informatica</i>
Framework	Law	Architectural standards
Jurisdiction	Physical territory	Networks
Content	Statutory or court Expression	Technical capabilities Customary practice
Source	State	Technologists
Customized rules	Contract	Configuration
Customisation process	Low cost Moderate cost Standard form High cost negotiation	Off-the-shelf configuration Installable configuration User choice
Primary enforcement	Court	Automated, self-execution

Source: Reidenberg (1997)

Methods and Justification

The author collected data sourced from legal materials by searching for cases, laws and regulations and legal literature relating to the object of this study. Furthermore, the authors study these findings and use them as data and research material. The author then analyses the data that has been collected by linking one data to other data. This method is performed to ensure that each data obtained is similar, appropriate and can be used by the author to address the research question. The collected data will later be explained by the writer in a descriptive qualitative form.

Furthermore, the authors will use every data obtained to search for answers from each problem statement in this study. In answering each problem statement, the authors use Justice Theory to answer the problem statement. The author will also analyse YouTube regulations, especially those related to copyright and revenue sharing, as well as Law Number 28/2014 Regarding Copyright to answer research questions. After each problem is answered, the author will make a conclusion from the analysis process that has been done.



Analysis and Discussion

YouTube Sharing Mechanism

Revenue sharing is a system that can be used to share income from the use of a product or work in the form of creation. In intellectual property rights, the revenue sharing system is used to share the results of the use of a work by a party that is not the creator or copyright holder to the party who owns the rights to the work (Chai et al., 2007). The party who has the right to work will get a portion of the income from the party who has no rights to use the work.

The sharing of the results of the utilisation of creation from the revenue sharing system is similar to the royalty system in copyright. Based on Article 1 number 21 of Law Number 28/2014 Regarding Copyright: “Royalties are compensation for the use of economic rights of work or related product received by the creator or owner of rights.” Both systems share the results of the utilisation of a work done by parties who are not the rights owners to parties who have rights. The distribution of the results of the utilisation of work is a form of protection to the owner of the right to obtain his exclusive rights, especially the economic rights of the rights owner. In this case, YouTube, as a video sharing site provider, also applies a revenue-sharing system to the utilisation of video content owned by content creators. A revenue sharing system owned by YouTube can work if combined with other systems owned by YouTube.

Such a system is named by YouTube as Content ID. Content ID is an algorithmic system developed by YouTube to identify ownership of the content on YouTube. Based on YouTube pages, Content ID is YouTube’s automated, measurable system that can be used by copyright owners to identify YouTube videos that include their content. Content creators already registered with the Content ID system can gain control over the video content that is used and uploaded by other content creators and uses the video content without the permission of the content creator who owns the content.

In addition, the creator in question may also not take any action. Considering Content ID can automatically detect ownership of video content on YouTube, provided the relevant content creator actively creates and uploads video content on YouTube and is not involved in a dispute or infringes copyright on video content on YouTube.

The Content ID was created by YouTube in anticipation of copyright infringement committed by other creators of the use of the content without the permission of the creator or content creator who created it. In this case, content that can be detected by Content ID is not only in the form of video content but also other content such as songs or images contained in video content. Remember the content that can be uploaded and available on YouTube is in the form of audio and visual content or only audio or visual content.

The Establishment of Content ID in Protecting Copyright

To be able to take advantage of Content ID and receive revenue sharing, contented creators must pay attention to several things. These include active content creators related to the content, the originality of the content uploaded by the content creator, and the health of the account or channel of the relevant content creator. These things are general provisions that must be considered by the creator. If the creator does not heed these provisions, then the creator in question cannot receive revenue sharing for the content that is used by other creators on YouTube.

The activity of the creator begins with the registration of the creator concerned in the Content ID system. This registration can be done independently by content creators. After filling in several forms, content creators who register their accounts or channels on Content ID must agree to several matters related to YouTube's terms of use related to Content ID and the monetisation system owned by YouTube.

After the relevant content creator is registered into the Content ID system, the relevant content creator must actively manage the content that he uploads. This means that content creators still have to pay attention and supervise any content that is used or re-uploaded by other creators. In this case, creators still cannot fully rely on YouTube to regulate and determine ownership of the content on YouTube. Since YouTube is a pioneer of web 2.0, YouTube provides users or creators with the opportunity to manage any content uploaded on YouTube. In this case, YouTube is only a facilitator and not all things can be controlled by YouTube, because all control over video content uploaded by content creators is owned by content creators who create and upload video content in question.

Additionally, YouTube's Content ID system cannot detect ownership of the entire content. Although the Content ID system is a very sophisticated system because it can detect ownership of content automatically, YouTube's Content ID system still has some weaknesses. There is some content that cannot be detected by Content ID. The content is content that is considered by the Content ID algorithm not to be unique or that has common contents (Invarivision, 2019).

The Content ID system also has a number of other weaknesses. Content ID cannot detect ownership of a content whose duration is under 30 seconds. In terms of fair use, content protected by copyright can be used for the purposes of criticism or commentary review. A video content that is no more than 30 seconds in duration will be considered by the Content ID algorithm as content whose use is based on fair use terms. Where the use or utilisation of the content is deemed not to violate the provisions of copyright, and those who use it are deemed unnecessary to share the income derived from the use of the content.

Content that is used by content creators who do not have rights and whose duration is no more than 30 seconds is also considered by the Content ID algorithm as content that has a free license. Content that gets the title or is categorised as content that has a free license does not get protection because the creator or creator of the content provides the opportunity for the content creator to use the content freely both for personal use and for commercial use. Content that gets a free license can be used by anyone without first having to ask permission from the creator or the party who has the rights to the content.

Another weakness of the Content ID is that the Content ID automatic detection system often misidentifies ownership of the content. This often happens to video content that contains the gameplay of a video game. Where the income earned by content creators will be transferred or shared with the developer (developer) or publisher (publisher) of the video game, to continue to get its economic rights, content creators must actively manage and monitor the use of their content independently. Remember, creators cannot rely on YouTube's algorithm system fully. That is because the YouTube algorithm system often makes a mistake in identifying ownership of content on YouTube.

The Role of Digital Millennial Copyright Acts (DMCA)

To anticipate the existence of creators who submit claims to YouTube related to the misidentification of ownership of content, YouTube makes provisions related to it, and each user or creator on YouTube must agree to these conditions if someone wants to use YouTube services. In the YouTube help page, YouTube states that YouTube cannot determine copyright ownership (YouTube, 2019). YouTube further states that: "YouTube cannot mediate for any right to ownership rights." In these provisions, YouTube also states that "when receiving a complete and valid takedown notification, YouTube will delete the content in accordance with applicable law."

In this case, YouTube does not specify the law of which country is intended. However, if the law referred to by YouTube is a DMCA provision, then the law intended by YouTube is the law applicable in the United States. Considering the takedown notice carried out by the copyright owner is a notice and takedown provision of the DMCA.

YouTube also explains that "when receiving a valid counter-notification, YouTube will forward it to the person who requested the removal of the content." The counter-notification can only be made by content creators whose video content was revoked by YouTube due to a report of copyright infringement from a party who has rights. YouTube also states that after YouTube sends a counter-notification, YouTube will submit the matter to the parties involved in the dispute to resolve it in court. In this case, YouTube does not clearly state which court is



referred to. However, if someone sees the terms of use of YouTube number 14, the court referred to by YouTube is a court that has legal jurisdiction in California.

Another thing that must be considered by content creators to be able to utilise revenue sharing systems based on Content ID to the maximum is that content creators must pay attention to the level of originality of the content when creating content. The originality of content is the most important thing for the community on YouTube. This can be seen from the more original content created by content creators, the more the number of viewers who access the video content. In addition, content creators who create original content will get more revenue, because the relevant content creator does not need to share the revenue earned on advertising and the relevant content creator can earn more income from each content that is used by other content creators.

The originality of content is very important in the creative world. Where fellow content creators will give appreciation to content creators who can make the content as original as possible without using other content owned by other parties or content creators, however, on YouTube, a content can be categorised as original content when the content is created based on legal rules governing copyright and other related rights. In this case, content creators can create content that contains content from other parties or content creators that are protected by copyright or other related rights.

Content creators can and are allowed by YouTube to use content that is protected by copyright. Content creators can use the content by paying attention to three things. The first thing that content creators can do to be able to use content that is protected by copyright is to seek prior permission from the party or other content creators who have the rights to the content. The second thing that content creators can do is create a video content by basing the content creation on fair use terms. The third thing that content creators can do is create content using content that has a free license. By using or basing the creation of content on these three things, the relevant content creator can be considered to create original content and use or utilise revenue sharing features by basing ownership of the content on Content ID.

What Constitutes as Fair?

To be able to use content that is protected by copyright, the creator in question can first ask the owner for permission for the content to be used. Where in the provisions of Copyright in Indonesia also regulates it. Based on Article 9 number 2 of Law Number 28/2014 Regarding Copyright, it is stated that “Every person who exercises economic rights as referred to in paragraph (1) must obtain permission from the Author or the Copyright Holder.” If you want to use content that is protected by copyright, you must first ask permission from the rights owner for the content to be used.



Then, in addition to having to ask permission first before using content that is protected by copyright, content creators can create content by applying fair use terms. Based on the explanation on the YouTube page: “Fair Use is a legal doctrine that states that you can reuse copyright-protected material in certain situations without requiring permission from the copyright owner.” YouTube also states that each country has different rules about when the material without permission the copyright owner may use. YouTube also provides examples of works that are considered fair use in the United States, such as works in the form of comments, criticisms, research, teaching, or news reports. The fair use terms owned by YouTube are based on the provisions of the Copyright Act in the United States.

The fair use has similarities with the provisions of Chapter VI Copyright Restrictions Law Number 28/2014 Regarding Copyright. The chapter contains actions that are deemed not to violate copyright provisions when using other people’s work without permission. Like Article 44 number 1 of Law Number 28/2014 Regarding Copyright which reads:

“The use, retrieval, duplication and/or alteration of work and/or related rights product in whole or in part whose substance is not considered copyright infringement if the source is fully stated or listed for the purposes of a. education, research, writing scientific papers, preparing reports, writing criticisms or reviewing an issue without harming the reasonable interests of the creator or copyright holder ...”

In the fair use page, YouTube mentions several times that each country has different provisions regarding fair use. However, YouTube does not clearly state whether YouTube also uses the fair use conditions of other countries or not. If we look at the contents of YouTube’s Terms of Service regarding general conditions, it can be concluded that YouTube only uses fair use terms that apply in the United States.

In fair use pages, YouTube also provides protection for content creators who make content based on fair use. In the provisions it is mentioned that:

“In some very specific cases, we ask video creators to participate in new efforts to protect some of the best “fair use” examples on YouTube from copyright-related removal requests. Through this initiative, YouTube will compensate creators whose fair use of videos has been subject to a takedown notification of up to \$1 million, for legal costs if the deletion results in a claim for copyright infringement. This is to protect their work, and make the creative world better by teaching people about the importance and limits of the doctrine of fair use.”

From these provisions, it appears that content creators who create content based on fair use terms can be free from notice and takedown provisions. Although free from notice and takedown provisions, video content creators can still be removed by YouTube if the copyright

owner really wants to revoke the video content. However, if the removal of the content raises a dispute between the creator and the party requesting the removal, YouTube will provide legal assistance to the creator in question to ask the court to return the video content.

Revisiting the Indonesian Copyright Laws

Based on Article 1 number 21 of Law Number 28/2014, “Royalties are the compensation for the use of economic rights of work or related product received by the creator.” Based on the provisions of that article, the actions were taken by YouTube by making Content ID are in accordance with the contents from the provision. Content creators whose content is used by other content creators can receive some compensation or a share of the revenue earned by other content creators who make use of their work. In addition, a Content ID system that can directly identify ownership of content can help the content creator concerned to continue to enjoy their exclusive rights, especially economic rights.

YouTube, as a video sharing service provider and Content ID party, can also be categorised into a Collective Management Institute. Based on Article 1 number 22 of Law Number 28/2014 Regarding Copyright, it is stated that “Collective Management Institutions are institutions in the form of non-profit legal entities that are authorized by the Author, Copyright Holder, and/or related rights holders to manage their economic rights in the form of collecting and distributing royalties.” In this case, YouTube also directly oversees and manages the Content ID system that it creates. Where it conducts surveillance, YouTube supervises every content creator registered in Content ID. This was done to anticipate misuse of the use of the Content ID system.

In addition, YouTube also manages the revenue sharing obtained by content creators who do not have the right to some content. In this case, the management carried out by YouTube starts with making a provision related to how much revenue is shared. The division of revenue is done with a 50% system. Where creators who create or own rights to the content get 50% of the revenue from the results obtained by other creators who use the content.

Management carried out by YouTube is not only limited to policymaking related to revenue sharing systems. In this case, YouTube also conducts revenue sharing to content creators who have rights and content creators who do not have the right to use the content. The division made by YouTube can be done automatically using an algorithm system owned by YouTube. This can make it easier for YouTube to determine the amount of revenue that must be shared and can be directly enjoyed by creators who have economic rights to the content.

Based on Article 80 number 4 of Law Number 28/2014 Regarding Copyright, “Determination of the amount of royalties as referred to in paragraph (3) and the procedure for granting



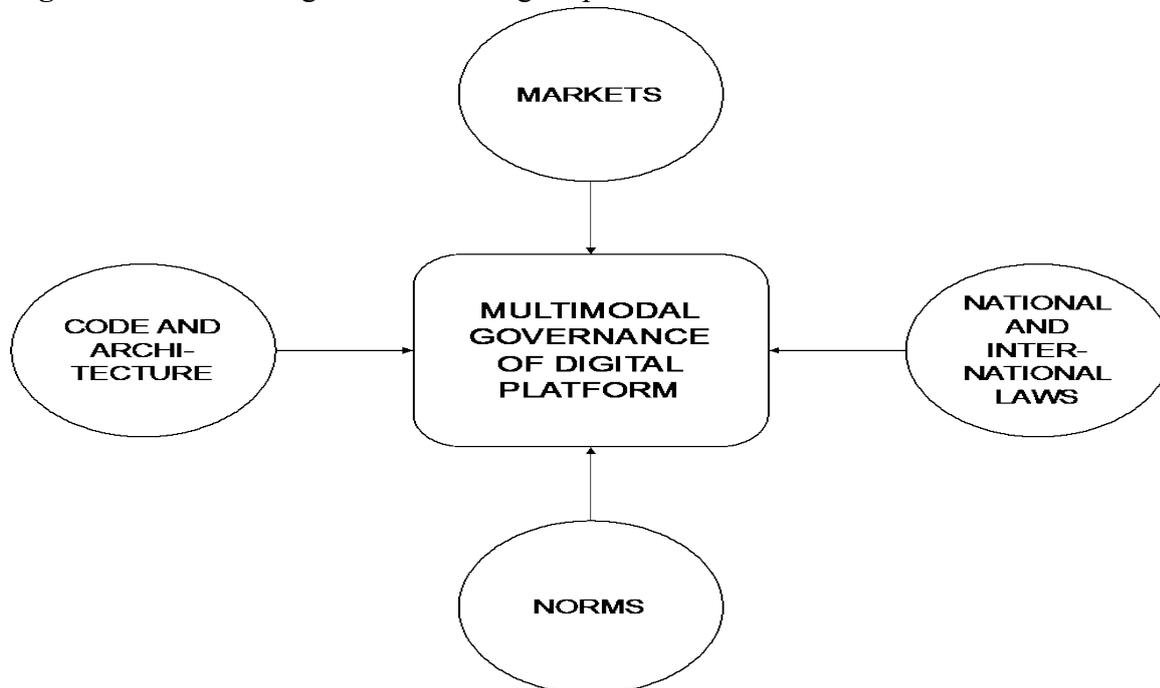
royalties shall be based on a licensing agreement between the copyright holder or right owner related to the licensee.” In the terms of use of YouTube, it is stated that users or creators who use YouTube services automatically license YouTube. The license is automatically given by the creator to YouTube when the relevant creator uploads the video content to YouTube. This shows that YouTube obtained a license from content creators who use their services.

It is further regulated in Article 80 number 5 of Law Number 28/2014 Regarding Copyright that “the number of royalties in the license agreement must be determined based on the prevalence of the applicable practice and fulfils the element of justice.” In this case, YouTube has granted royalties or revenue from advertising in accordance with these conditions. Where YouTube gives a portion of 50% to parties who do not have the rights to the content they use and gives another 50% to content creators who have economic rights to the content.

In the elucidation of Article 80 number 5 of Law Number 28/2014 Regarding Copyright, it is stated that “the calculation and imposition of royalty amounts need to pay attention to elements which are the basis for calculating royalty amounts, for example, the number of seats, number of rooms, room area, number of copies copied, in accordance with the habits/practices that are commonly done.” In this case, YouTube, as the manager of revenue sharing or royalties, does not explain the basis of calculation and the imposition of royalty amounts. Based on information obtained by the author from the YouTube page, YouTube only provides information about the magnitude of the distribution given to content creators who have rights and content creators who do not have rights but utilise the content.

Based on Article 87 number 2 of Law Number 28/2014 Regarding Copyright, it is stated that “the user of the copyright or related rights that use the rights as referred to in paragraph (1) pays royalties to the creator, copyright holder, or owner of the related rights, through the institution of collective management.” In this case, YouTube, as the manager of royalties or revenue sharing, has given or paid a royalty to the owner or copyright holder. This shows that the actions taken by YouTube as the revenue sharing manager are in accordance with the Copyright Act, especially with provisions relating to collective management institutions.

Figure 1. Multimodal governance of digital platform



Source: Adapted from Lessig (1999)

By comparing, evaluating, and analysing YouTube’s policy, national regulation, as well as international regulation, it is evident that we need to consider all modes of regulation and work together towards blended or mixed regimes (Lessig, 1999). This arrangement is particularly relevant not only in content sharing and copyright law, but can also be extended to other areas, such as standard setting, public accountability, self-regulation and information sharing.

Conclusion

Content creators who have the rights can determine what actions are appropriate and given to creators who use the content. These actions can take the form of requests to content creators who use their content without permission and use it without the right to bypass some video content that contains content that violates copyrights, ask creators who commit copyright infringement to delete the entire video or share the video content. In the case of omitting a video content that violates a copyright, content creators who have rights to the content and content creators who use the content without rights will earn income from any advertisements that appear in videos that violate the copyright. This arrangement makes the two creators of the same revenue from each ad that appears. The party who has the rights will get 50% of the income earned by content creators who do not have the rights but make use of the content.

By giving 50/50 parts to creators who have rights and to creators who do not have rights, creators who do not have rights will not lose their video content. In addition, YouTube, as the



executor of the revenue sharing system, takes appropriate actions to protect the rights of each creator. This is in accordance with the theory of legal protection. Because YouTube provides protection and fulfils the rights of each creator, especially relating to the utilisation of content and fulfilment of the economic rights of creators whose content is used by other creators.

With regard to digital platform regulation and governance, it becomes obvious that in the internet, architecture is code, and code is law. Thus, design of code in Cyberspace will shape and/or limit human behaviour in the digitally connected era. Technologists shall set the rules via hardware, software, and infrastructure laws. However, government should shape “code” and utilise it to regulate the industry and sector. In analogy to *lex mercatoria*, the notion of *lex informatica* becomes very useful in developing a regulatory mechanism in the digitally connected environment.

All in all, this article shows how the revenue sharing scheme is managed by YouTube. Our findings can be a benefit for other digital media platforms in formulating revenue sharing schemes. In addition, this paper is expected to be able to provide insight into content creators in preparing their publication strategies. Meanwhile, for policymakers, this article is expected to open new doors for evaluating the extant regulations related to media communications and, more importantly, the possibility for taxation opportunities due to material transactions that occur from the process of content sharing and content distribution.



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