

GLOBAL BRIEFING

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"There are no limitations with a song. To me a song is a little piece of art. It can be whatever you like it to be."

Laura Nyro (1947 – 1997), American composer, lyricist, singer and pianist

ICMP news

ICMP SERIOUS BUREAU HOLDS PANEL DISCUSSION AT MUSIKMESSE

Last week's Musikmesse 2010 in Frankfurt was host to ICMP's Serious Bureau panel discussion on the "Relationship between publishers and retailers and the opportunities for growth in a digital era". ICMP particularly wishes to thank the German Music Publishing Association DMV for all its work in supporting the panel initiative.

The panel was moderated by Nicholas Riddle, Managing Director of Peters Edition and Member of the ICMP Board, and comprised Chris Butler of Music Sales, UK; Claudia Dorn at Harrassowitz, Germany; Wolfram Krajewski of DE-PARCON, Germany; Antonio Monzino, of the Monzino Group, Italy and Michael Petry, an independent management consultant.

During a broad-ranging discussion, the session focussed on the need to provide a quality service to endusers, whether online or in music stores, as essential to the survival of the music retailing business in the digital era.

"Retailers must be creative as there is more than just the sales, the hook for retailers is added value." said Michael Petry

The session acknowledged the importance of variety in a successful retailing mix and also looked at the need to develop joint information systems with retailers, to provide accessible and up-to-date real time information.

Over 100 people attended including ICMP Members from Germany, the Netherlands, Sweden, Hungary, the UK, France and Latvia. Present from the ICMP Serious Bureau were Antal Boronkay, Pekka Sipilä, Heinz Stroh and Nicholas Riddle. Last year's panellists Christopher Smith of Halstan and Larry Morton of Hal Leonard were also among the audience.

North America

CANADA INTRODUCES BILL TO EXTEND PRIVATE COPYING LEVY TO DIGITAL AUDIO RECORDERS

On 16 March, new Democratic Party MP Charlie Angus introduced an amendment to the Canadian Copyright Act which would extend the private copying levy — which adds a small tax to all blank media, such as CDs and DVDs — to Digital Audio Recorders (DARs), including MP3 players and computers. Angus also wants an expansion of the "fair dealing" principle, which would expand the exemption for non-commercial copying to researchers, innovators and educators.

Both the Conservative Industry Minister Tony Clement and Heritage Minister James Moore reiterated their opposition to extending the private copying tariff to DARs, both characterising it as a "consumer tax."

Angus emphasised the need for a process that allows artists to be paid for their work and gives consumers the right to access it. "The levy is not punitive; it's a matter of fairness," commented David Basskin, President of the Canadian Reproduction Rights Agency (CMRRA).

So far, the bill has the full support of the Bloc Québécois. The Liberals and at least one Conservative agreed to continue discussion of the issue in committee.

CREATIVE INDUSTRIES URGE US GOVERNMENT TO ADDRESS ONLINE PIRACY

A coalition representing the movie, TV and music industries in the US has filed a joint submission urging the government to increase efforts to protect intellectual property and jobs in the fight against copyright theft online.

The coalition stressed the economic importance of copyright industries and highlighted the fact that the sector comprises nearly 6.5% of US GDP, contributes almost 25% of real economic growth, accounts for 5.6m jobs and represents nearly \$126bn in exports sales.

The submission focused not just on the impact of piracy on copyright owners but on the knock-on effect on jobs and wages throughout the economy. It suggested that the US Intellectual Property Enforcement Coordinator (IPEC) should enforce intellectual property rights on the Internet and focus efforts on the challenges brought about by emerging technologies.

Europe

STUDY SUGGESTS 1.2 MILLION JOBS WILL BE LOST TO PIRACY UNLESS ISSUE IS ADDRESSED

A study released this month predicts the loss of 1.2 million jobs and €240 billion in retail revenue of European creative industries by 2015 unless significant policy changes take place.

The EU-wide study, on behalf of the International Chamber of Commerce group "Business Action to Stop Counterfeiting and Piracy", sought to understand the scale of the issue and to quantify the loss in economic terms. The study was released in the context of the European Parliament vote on the report the Enforcement of Intellectual Property Rights in the Internal Market by MEP Marielle Gallo – "the Gallo Report".

The study, "Building a Digital Economy: The Importance of Saving Jobs in the EU's Creative Industries", shows that 14 million people work in Europe's creative industries and contribute 6.9% or &890 billion to total European GDP. It reveals that the sector is already experiencing significant losses with some &10 billion in revenue and more than 185.000 jobs lost in 2008 in the film, TV series, recorded music and software industries due to piracy.

UK DIGITAL ECONOMY BILL SET TO PASS INTO LAW

The UK Digital Economy Bill is set to pass into law before the next general election this summer as the main opposition party joins with the Government and supports the proposal. It has already been passed by the House of Lords.

The Digital Economy Bill, if adopted, will include new provisions to curb illegal file-sharing by forcing internet companies to block websites that host substantial amounts of pirated content and by suspending the connections of users who engage repeatedly in illegal online activity.

The Bill has already caused much controversy as privacy campaigners, user groups and ISPs campaign against attempts to introduce a graduated response to internet piracy. This latest development is therefore a welcome relief for rightsholders and the creative industry. It was presented to the House of Commons for the first time on 16 March and will undergo two more readings in the Commons before it is passed into law. The dates for these readings are yet to be set.

IRELAND REFERS COPYRIGHT CASE TO EUROPEAN COURT OF JUSTICE

Ireland's High Court has asked the ECJ to rule on a number of legal issues raised around charging for playing copyright music in hotel bedrooms.

Phonographic Performance Ireland (PPI) initiated an action against the state last year over its apparent refusal to amend a law exempting hotels from having to pay copyright fees for music played in hotel bedrooms. PPI claims the national law is contrary to EU law and suggests that with 50.000 hotel bedrooms nationwide it is losing $\xi 2.6$ million each year based on a rate of $\xi 1$ per bedroom per week.

In particular, the ECJ is asked to decide whether a hotel operator who provides TVs and radios in guest rooms is a "user" of copyrighted music under EU Directive 2005/115/EC, and if so, whether the Directive requires operators to make payment in addition to the royalties being paid by the TV and radio stations. It will also need to consider whether the Directive exempts to hotel operators from paying if music is played via a system other than TV or radio.

SPAIN PASSES ANTI-PIRACY LEGISLATION ALLOWING COURTS TO SHUT DOWN WEBSITES OFFERING UNAUTHORISED CONTENT

Spain's Council of Ministers has passed anti-piracy legislation that will allow the Spanish Federal Court to close or block websites that are offering or streaming unauthorised downloading of film and music content.

The antipiracy Bill, which now goes to the national parliament and is expected to receive approval this summer, will create an intellectual property commission at the Ministry of Culture which will be responsible for sending complaints to a judge.

SWISS APPROVE RATE FOR MUSIC ON MOBILE PHONES

The Swiss have adopted a tariff for the remuneration of downloads on music mobile phones such as the iPhone.

A tariff of 30 Swiss cents per download was set by the Swiss Federal Arbitration body for the Management of Copyright and Neighbouring Rights (CAF) earlier in the month following a process first submitted in the spring of 2009.

In practice this means that creators of music will now receive a compensation fee from the sale of iPhones although the tariff is not likely to enter into effect before 1 July 2010.

Other news

REMINDER: SUSAN BUTLER'S COMMERCIAL WHITE PAPER "PROFITS BEGIN WITH A LICENSE: NAVIGATING EURO LICENSING" AVAILABLE AT A REDUCED RATE FOR ICMP MEMBERS

A commercial white paper, **"Profits Begin with a License: Navigating Euro Licensing"**, is available to walk potential licensees through the current licensing process; explain for licensees, publishers and collecting societies what is really going on during the licensing process that even those involved in the process may not be aware of. It highlights problem areas that must be anticipated to complete license negotiations and points out contractual and other issues that must be understood before negotiating or signing the next administration, co-publishing, sub-publishing, licensing or society membership agreement.

Susan Butler (Executive Editor of Music Confidential, Attorney) spoke with more than 50 sources (senior executives and lawyers who handle licenses in Europe every week plus government lawyers) providing them all with anonymity to encourage frank discussion and get to the bottom of what is really going on and how companies and organisations can take care of business in this transitional phase.

ICMP-member discount prices through 30 April 2010: <u>http://www.tinyurl.com.au/4di</u> Order your copy by emailing <u>Susan@MusicConfidential.biz</u> and mentioning ICMP

NEW COPYRIGHT INFRINGEMENT PORTAL

The Publishers Association and the Association of Educational Publishers have joined forces to fight copyright infringement and created the Copyright Infringement Portal.

The portal provides a simple solution to help educational resources communities track illegal use and infringement of copyright. It streamlines the issuing of takedown notices and enables organisations to act quickly in tracking reported violations.

The Copyright Infringement Portal targets sites that offer free downloading of infringed copies and enables users to identify the ISP on which it is hosted. It then drafts a notice and sends it electronically to the subscriber and also sends a copy by mail to the ISP. The Portal is also able to track repeat infringers and notify ISPs.

EVIDENCE THAT YOUTUBE WAS AWARE OF COPYRIGHT VIOLATIONS

Internal evidence revealed earlier this month suggests that YouTube executives knew early on in the site's history that large numbers of copyrighted videos were being uploaded.

The new evidence is the latest twist in legal proceedings between YouTube and Viacom. Emails between the founders suggest that they stopped putting stolen videos on the site as they would have a tough time defending the fact that they were not liable.

YouTube, now owned by Google, is defending itself against a \$1 billion lawsuit filed by the owner of Paramount film studio and MTV Networks, Viacom.

Upcoming meetings and events

ICMP:

Next Policy Committee Teleconference in 2010 on 13 May at 17:00CET

Next Board Teleconference in 2010 on 19 April at 17:00CET

Save-the-Date for **Central and Eastern European Music Publishers Congress** (CEEMPC) on 16 September in Riga, Latvia

OTHER:

European Forum on Cultural Industries on 29 and 30 March in Barcelona

Public Hearing on Collective Rights Management on 23 April, Borchette building, Brussels

The public hearing on Collective Rights Management organised by the European Commission DG Internal Market and Services will explore the relationships between owners of copyright, the collective managers of copyright and the commercial users of copyright-protected products and services.

The all-day conference will comprise a series of three panel discussions looking at the standards of governance and transparency underpinning i) relationships between collective rights managers and their members, ii)of collective rights managers among themselves and iii) between collective rights managers and those parties that license copyright or related rights.

For more information visit: http://ec.europa.eu/internal_market/copyright/management/management_en.htm#hearing

Early Save-the-Date 7 & 8 June 2011: CISAC World Copyright Summit in Brussels

Due to the Easter holidays, the next Global Briefing will be issued on 26 April.

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