









## Major copyright users welcome initiative to address Collective Rights Management in view of a proposal for a framework Directive on Collective Rights Management in 2011

20 July 2010

The European Commission has declared the approval of a Directive on Collective Rights Management to be a priority, as set out in its Communication on "A Digital Agenda for Europe" dated May 19<sup>th</sup>, 2010. The European Commission considers that such a legal instrument is necessary in order to simplify – and to actually enable – copyright clearance, management and cross-border licensing.

Following the European Commission's public hearing of April 23<sup>rd</sup>, 2010, on the Governance of Collective Rights Management in the EU, major copyright users associations would like to stress their concerns in view of a proposal for Directive on Collective Rights Management, expected in 2011.

First of all, copyright users acknowledge that rights holders should be fairly remunerated according to the rights they are legally entitled to and in which efficient collective rights management has an important role. Currently, the access to rights licensing for commercial users is becoming extremely complex, increasing the administrative burdens excessively and creating uncertainty regarding the rights needed to develop digital music products and services.

In line with the common statement of April 23<sup>rd</sup>, and following the presentations by a number of stakeholders at the hearing, major copyright users would like to recall the following key points to be addressed:

- Simplification
- Efficiency
- Transparency

- Good governance
- Appropriate accountability
- Fair dispute resolution mechanisms
- Choice to make use of a flexible and multiple one-stop-shop mechanism for licensing
- Effective competition between collecting societies
- Flexibility of rights clearance while safeguarding access to the global repertoire
- Technology neutrality
- Reduction of administrative burdens
- External and independent governmental control

The European Commission has set out a clear strategic challenge for the European industry: to create new, innovative services which can remain competitive in the global market and create new jobs. This challenge requires all stakeholders to modernise their way of working if they are to realize the full potential of a knowledge-based economy rich in original, European content. This modernisation requires the adoption of a new legal framework for Collective Rights Management which covers not only issues of governance but also includes new rules to effectively facilitate collective licensing.

As set out by the European Commission in its Communication on Rights Management in 2004, collective licensing plays a key role for creating the necessary one-stop-shop approach. We therefore fully support the European Commission's view in the Communication that facilitation of effective rights management is crucial to the proper functioning of the Internal Market. This explains why collecting societies' activities are of direct concern to European copyright users and other organisations, each in its own specific sector. All users believe that more needs to be done to improve and modernise collective management of copyright in the European Union. Failure to do so would prevent rights users from playing our full role in delivering the potential of the EU's strategy for more growth and jobs.

The major copyright users supporting this statement are:

- AER

- Cable Europe
- ETNO
- GSMA Europe
- HOTREC
- Pearle\*

BEUC also supports this statement.

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