The role of the international copyright framework and its benefits

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CISAC overview

- Confédération Internationale des Sociétés d'Auteurs et Compositeurs (CISAC)
  International Confederation of Societies of Authors and Composers

- Established in 1926
Repertoire Managed by CISAC Members

- Worldwide network of CMOs
  - 239 authors societies
  - 121 countries/territories
  - Over 4 million creators and publishers
WORLDWIDE PRESENCE

239 Societies In 121 Countries/Territories

Headquarters:
• Paris, France

Regional Offices:
• Hungary
• Burkina Faso
• Chile
• China
International Copyright Framework

• International Treaties/ Convention
• Application of International Treaties in local copyright legislation
• Amendment of Copyright legislations : reference to copyright legislations from other jurisdictions
• Court decisions : reference to copyright cases/tariff disputes in other jurisdictions
• Industry Practices
International Copyright Framework

• Certainty
• Consistency
• Encourage the development of new creations
  – Fair remuneration to creators
  – Fair return to investors
• Support the development of a Global Market, especially in digital age – borderless internet environment
• Updated regularly to cope with the technological changes:
  – New media formats
  – New means to disseminate copyrighted contents
The Cultural & Creative Industry (CCI)

CCI is a Massive Contributor to the World Economy

- **Produces Revenues of $2,250 billion**
  - 3% of World GDP
  - Exceeds total Telecom services revenues ($1,570bn)

- **Provides Jobs for 29.5 Million People**
  - 1% of the world’s active population
  - Surpasses the combined jobs of the Automotive industry in Europe, Japan, and US (25m)

- **Drives the Digital Economy**
  - Contributes $200bn to global digital sales
COLLECTIVE MANAGEMENT ORGANISATION (CMO) or COLLECTING SOCIETY

- Authors & rightholders entrust their rights to an entity so that license (authorisation for use) could be collectively granted to enable legitimate use of copyrighted works
- Economies of scale
- Cost advantages: reduced transaction costs
Licensing: Facilitating legal usage of works

Difficult & costly for user to contact thousands of copyright owners directly
CMO and Users are “Business Partners”
- Obtaining individual license is impractical or impossible
- Provide an efficient licensing solution
- Enable the use of works (esp. in large volume) in legitimate means

• CMO – ensure the royalty collected to be distributed accurately to authors/creators/rightowners
CMO

Authors/Creators /rightowners

• Supporting creations – obtain licences for the use of works and pay fair remunerations to creators
• Help to distribute royalty accurate – provide usage reports to CMO

Users
Music Licensing

• Use of music is an integral part of
  • Karaoke, Gym Classes, Disco, TV/Radio programmes
  • Live Music – in concerts and events
  • Background music – enhance the business operations and user experience – restaurants and shopping
Global Representation

• The CISAC model contract forms the basis of the reciprocal representation agreements signed between societies that allow each society to operate as a “agent for the global repertoire”

• A society has the power to authorise the use of any work from the global repertoire, provided it distributes any royalties collected to the society that manages the work
Reciprocal Representation

Reciprocal representation agreement

Reciprocal representation agreement

Reciprocal representation agreement

Reciprocal representation agreement

Reciprocal representation agreement
Global Network
Tariff Setting

• CMOs publish the tariff – e.g. in website - ensure certainty and transparency
• CMOs take into different factors to establish tariffs:
  • Value of Music
    • The contribution which musical works make to the economic activity of the user
    • Importance of the music to the business;
  • Nature & quantity of works used
  • References from foreign countries
Documentation and Distribution

• Documentation is the process of researching and recording the fundamental elements of works information for administration of rights prescribed within copyright law
  • Metadata
  • Music database

• Distribution is the process of allocating the net collected licence fees to the copyright owners of the works performed
  − To ensure that the royalties collected reach the rightful copyright owners
  − To be done with transparency for members, users and affiliated CMOs
Important Global Identifiers

- Interested Parties
- Information System
Distribution – Important Elements

- Good documentation
- Clear distribution rules
- Good information on works usages
Distribution Rules

• Each CMO should prepare a distribution rule – it must be approved by members and make it available for members and public

• Detailed distribution method menu

• Distribution shall be made as frequent as possible – at least 4 times a year

• Equal treatment of domestic and international works

• 50% Rule
  1. No more than 50% of royalties will be distributed to publishing companies in total per work
  2. 100% of royalties may however be distributed to creator
Distributable Royalties

• Gross Royalties Collected (Total Collections plus Investment Income)

• Minus:
  • Actual Administrative Expenses for Year – shall be fixed within a certain percentage (Averages 15% for well established societies; higher at 20-30% for newer societies)
  • Cultural Fund Deductions, if any – promotion of local repertoire
  • Taxes, & provisions for reserve if any

• Equals
  • Net Distributable Royalties
Give Back to Creative Industries

International Songwriting Camp

70 song writers in Taiwan, Finland, Hong Kong, Japan, Korea, Macao, Malaysia, Philippines, Singapore, Sweden, Thailand, the United States and Vietnam, all gathered together in Taipei, and co-worked to produce sixty-seven incredible music works during the camp.
APRA|AMCOS provides opportunities for Aboriginal and Torres Strait Islander songwriters and composers to develop their talents and build careers in the local music industry. This position is supported by the Australian Government through funding from its Indigenous Culture Support program and the Australia Council for the Arts.
Give Back to Creative Industries

The CASH Music Fund has sponsored the commissioning of over 750 new works written by more than 180 CASH composers for over 200 performing groups.
Thank You