
6. Collective Management of Copyright and Neighbouring Rights

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1. Introduction

In this paper I will discuss the rationale for collective management of copyright and analyse the role of copyright management organisations or collecting societies, as they are known. I will also review the various aspects of collective management, including options for copyright licensing, monitoring and distribution of payments.

In the course of this discussion I will comment on the dynamic relationship which exists between collecting societies and the creative stakeholders whose interests they seek to protect. It becomes evident that clear communication and effective relationship management are key elements of success for collecting societies in balancing the interests of users and copyright owners. I will also review several community education campaigns about the value of copyright, and consider the reasons for their success.

2. Collective Management of Copyright

Ideally, individual copyright owners should be able to manage their own copyright - they are their own property rights after all. This is of course possible, and preferable, in the case of negotiations for copyright usage with a limited number of parties.

An example of such a situation is when an author and a publisher are negotiating about the publication of a book. This negotiation is about what are called primary rights.

However, copies of that book once published are sold to many different individuals and organisations, all over the country and internationally. Some of these purchasers may make multiple photocopies or lend the book to others who may also copy it. A very good example of where this can happen is in the education sector.

For copyright owners, individual administration of each of these copying instances is impractical and difficult. Very often the individual license fee to be claimed would be small or insignificant. It would cost more for the copyright owner to collect the fees, than the actual fees themselves.

It is to solve this problem for copyright owners that collective management of copyright has developed. It provides an efficient method for exercising copyright rights and enabling copyright owners to

receive payment for the use of their works. These are often called secondary rights.

So we can see that collective management complements the individual management of rights. It is most appropriate when there are:

- low value uses of copyright material; and
- a large number of users.

In these circumstances a collecting society is a cost effective and practical way for copyright owners to manage the use of their copyright material.

A general rule is that collective management is appropriate if the costs of individual licensing and monitoring (the *transaction costs*) are greater than the license fees received.

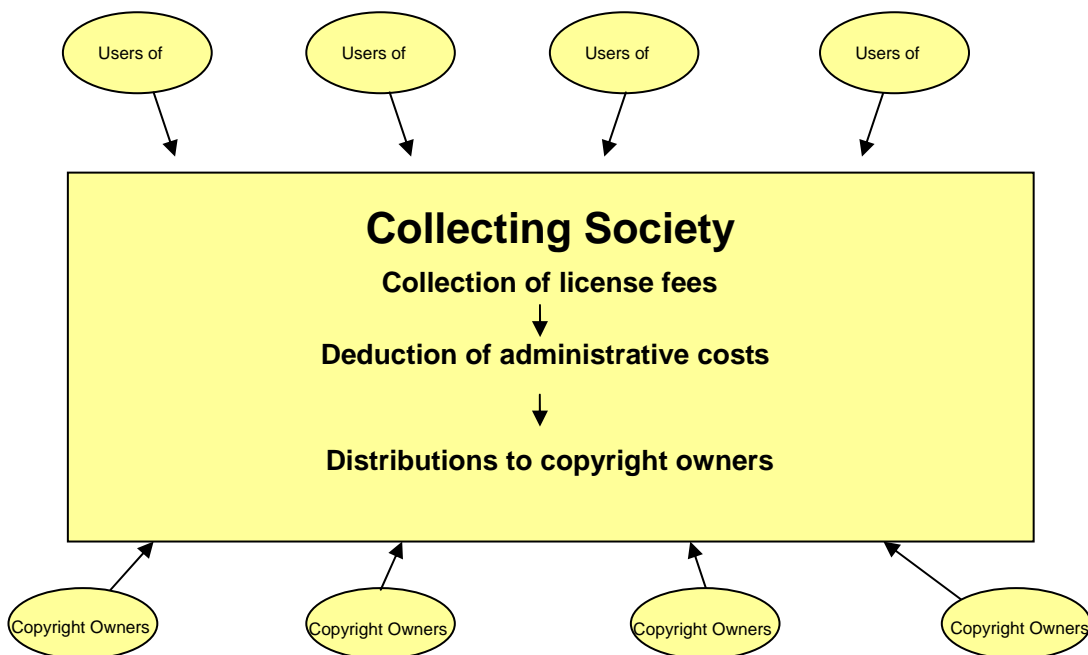
Collective management has a role in many copyright industries. Some examples of situations that are appropriate for collective management are: photocopying in schools, the playing of music on the radio, and the downloading of ring tones. What each of these situations has in common is a large number of low value uses of copyright, a large number of individual users, and a large number of different works.

Although each use is individually of a low value, collectively the individual uses have a big economic impact on copyright owners, particularly if the photocopying means people no longer buy books, for example.

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The following diagram shows the key functions and relationships that collecting societies manage –

they are like a bridge between copyright owners and users.



As well as benefiting individual copyright owners through payment for the use of their copyright, collective management also benefits users of copyright by enabling them to access copyright material legally and cheaply.

There are also benefits to society as a whole, as effective management of copyright gives rise to the same public policy outcomes as the copyright system itself. The table below represents the benefits experienced by creators, users, and society as a whole through collective management of copyright.

Creators / Copyright Owners		Users / Society
Payment for works provides incentive to create	⇔	More works created provides access to a greater repertoire of material, new ideas and cultural expression
Collective management is cheaper in comparison to individual administration	⇔	Lower administrative costs means affordable access to materials
Collective management licensing schemes provide direct access to mass users of copyright	⇔	Licensing schemes provide clear and uniform legal guidelines and administrative protocols for use of copyright material
Legal and social assistance for copyright owners	⇔	Inform and educate the community about the value of copyright works and their uses

3. The International Environment

Collecting societies generally develop on a national basis. In the face of large numbers of uses of copyright material they can't control and in recognition of the need for licensing solutions to this problem, a group of copyright owners will establish a collecting society to manage their rights.

This is what happened in Australia, when in 1974, confronted by extensive photocopying destroying book sales, a group of authors formed CAL, the Copyright Agency Limited (a collecting society). It has also happened in many other countries – in Europe during the 70's and 80's, in Eastern Europe in the 1990's and in Asia and South America in the last few years.

Once established, these national organisations discover that they are not alone and that other similar organisations, within which they can share experiences and learning, exist around the world. More pressingly, they also discover that the users of copyright want to access, not only national repertoire, but the works of copyright owners in other countries.

To solve this problem and to achieve effective licensing solutions, collecting societies in different countries enter into agreements with each other. These agreements provide for the exchange of licensing authority and for the distribution of royalties back to the copyright owners in other countries via their national collecting society.

The works owned by authors and publishers directly represented by the collecting society constitute what is known as the *national or local repertoire*. The International repertoire is made up of the foreign works managed through agreements with other collecting societies.

Over time, networks of these national collecting societies have developed. These networks are linked together through organisations such as CISAC (the International Confederation of Societies of Authors and Composers) and IFRRO (the International Federation of Reproduction Rights Organisations). These organisations foster the development of relationships between various collecting societies for the exchange of repertoire and fees. CAL (Copyright Agency Limited) is a member of IFRRO as that is the international association representing collecting societies active in the publishing industry.

Collaboration between national collecting societies will become even more integral to copyright protection in the digital age as national boundaries

become less important in defining copyright owners' markets.

4. Copyright Agency Limited (CAL)

CAL is a not-for-profit member-owned company that manages the copying and communication rights in the creative works of our members. CAL is a collecting society, or Reproduction Rights Organisation (RRO), as collecting societies are known in the publishing industry.

Our members include authors, artists, journalists and publishers - the copyright owners in print and graphic works.

CAL's role is to ensure that these copyright owners obtain payment for the copyright use of their works, in situations where they cannot manage to license individually. CAL provides access to works by licensing copying, and then distributes the license fees collected back to the creator.

We see it as our role to facilitate access to our members' works and to ensure that our members are properly paid for the access to copyright works that our licenses permit.

5. The International Federation of Reproduction Rights Organisations (IFRRO)

The International Federation of Reproduction Rights Organisations (IFRRO) began in 1980 as a working group of international scientific, technical and medical publishers. It now has 48 full RRO members and 61 Associate Members. These members are from Africa, the Americas, Asia, Europe and Oceania

IFRRO has three primary purposes:

- to foster the creation of RROs worldwide,
- to facilitate formal and informal agreements and relationships between and on behalf of its members, and
- to increase public and institutional awareness of copyright and the role of RROs in conveying rights and royalties between copyright owners and users.

IFRRO has established a number of committees, including its Asia Pacific Committee, of which CAL's CEO is chair and I am a member. The objectives of the Asia Pacific Committee are:

- developing an effective copyright legislative framework at national, regional and international levels,
- setting-up and developing collecting societies in the region, and
- combating all forms of illegal copying.

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We have worked closely with rightsholder groups and governments in many Asian countries to build awareness of copyright, develop copyright legislation, train government officials and judges in aspects of copyright, and establish collecting societies to protect the interests of authors and publishers.

5.1. The IFRRO Development Fund

IFRRO has also established a development fund to assist in the formation of new national collecting societies. It provides funds for emerging collecting societies in the form of project loans or activity grants.

An *activity grant* can cover a broad range of activities. Examples include: in-country workshops, study visits, overseas training schemes for staff and attendance at regional or interstate seminars.

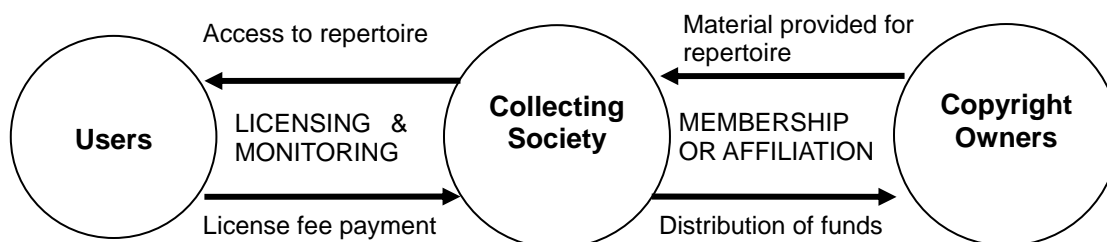
Project loans are used to get collecting societies operational, for example, to set up an office, and to set up licensing and distribution schemes. *Project loans* are usually for larger amounts than activity grants. IFRRO expects *project loans* to be repaid once the recipient has enough funds, although that may take several years.

In the Asia region, IFRRO provided loans to CLASS in Singapore, and HKRRLS in Hong Kong to assist with their establishment. Both organisations have repaid their establishment grants to IFRRO. The success of both these organisations has meant that the grants could be repaid in quite short periods.

6. Main Functions of a Collecting Society

The relationship between a collecting society, its members and copyright users is expressed through three main functions: licensing, monitoring and distribution.

The following diagram illustrates in a very simplified way the relationship between the three main functions of a collecting society.



I propose now to consider each of these elements – rights acquisition, licensing, monitoring copying and payment (or distribution) separately.

6.1. Rights Acquisition

The success of a new collecting society depends on broad-based support and involvement from rightsholder groups, industry associations and the government. If a collecting society does not have that support, acquiring it is the first and most important task; without the support and involvement of rightsholders a collecting society will not have any repertoire to license, for example. Ways of acquiring support include undertaking information and education programs and explaining the benefits of collective management to local copyright owners.

In these information and education campaigns, it is good to emphasise that the ultimate objective of the collecting societies' activities is to provide authors and publishers with a new revenue stream. The

purpose of collective management of copyright is never to substitute for the primary sales market. Ultimately, the collecting society and its licenses will become a key component of the local publishing industry. Rights Acquisition

In the case of printed works, authors include fiction writers, photographers, visual artists, journalists, and editors. It is desirable to obtain the involvement of each of these groups as well as publishers if a new collecting society is to be successful.

A requirement of IFRRO membership and organisational support is that the RRO, or collecting society represents both authors and publishers. Representation of both authors and publishers is also desirable in gaining credibility with government, potential licensees and in acquiring repertoire.

The active involvement of authors and publishers can also assist in negotiations with potential

licensees. In the early stages of CAL's operations, potential licensees would ask how many copyright owners CAL represented.

Our ability to show that CAL's membership continued to increase and that we represented all rightsholder groups was vital in persuading licensees that we could offer an effective license.

CAL also found that vocal support from local well known Australian authors was very effective in lobbying government for strengthening of the statutory license schemes, and in negotiations with potential licensees.

A number of questions arise about the methods the collecting society should adopt for acquiring rights for its repertoire from copyright owners. The first of these is whether the rights should be obtained directly through individual copyright owners or from organisations representing them.

Some collecting societies have an open membership model and others have an affiliate structure. Under a membership model, each individual copyright owner joins the collecting society. In an affiliate structure smaller groups of rightsholders or industry organisations are technically the members of the collecting society.

Other rights holders affiliate with the collecting society as their agent for the administration of their rights. The choice depends on the particular circumstances in the country of operation, and can depend on whether a statutory or compulsory license applies.

The second question for the collecting society is to decide on which rights should be acquired from copyright owners. They will also need to decide whether to obtain exclusive or non-exclusive rights. This will depend very much on the licensing plans of the collecting society itself – if the intention is to license photocopying, the public performance right is not relevant and need not be acquired from members.

Whether the rights are acquired on an exclusive or non-exclusive basis also depends on the particular circumstances involved. Performing Right Societies, operating in the musical area normally acquire exclusive rights. RROs active in the publishing sector normally do not – as publishers and authors want to be able to enter into their own copyright licenses, complementing collective management.

6.2. Licensing

The license sectors in which collecting societies are active are those where there are high volume users of copyright material. In the publishing industry these tend to be in sectors such as education and government. As the corporate (trade and industry) sector is also a heavy user of copyright material, copyright licenses are also generally available for that sector. Another sector in which collecting societies are active is the licensing of media clipping companies, on behalf of newspaper publishers and journalists.

The licenses offered to each sector generally cover internal photocopying including providing copies to students, the making of copies in libraries and copies for distribution to staff.

Generally, collecting societies in the publishing field do not license the copying of complete books and other publications. Typically only limited portions of works such as chapters or individual articles are licensed by collecting societies.

The copying of an entire work is considered to be piracy, as it substitutes for the acquisition of the whole work, eroding copyright owners' primary markets.

Consequently, collective management of reprographic copying is often teamed with both effective enforcement measures against piracy of copyright materials, and communication and education campaigns about copyright use.

Once the licensing sectors are determined, the collecting society will then approach users of copyright material in those sectors to offer them licenses. These agreements have several, common elements:

- they authorise access to works,
- they have a method for determining license fees,
- they include a system for monitoring copying.

I will now consider each of these elements in a little more detail.

(a) *Authorising Access to Works*

The first, and, from the users perspective, most important element of a license agreement with a collecting society is that the agreement authorises access to works, in exchange for a license fee. However, there are usually conditions applied to this access.

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These limitations usually specify the amount that can be copied from a particular work. Another common limitation is a restriction placed on the uses to which the copies made can be put. That is, very often the copies can only be used for internal or personal use.

For example, the educational licenses offered by CAL in Australia permit the copying of 10% of the pages in a book, and requires that the copies be used for educational purposes only.

The reason that the license is limited to portions only of a work is the concern that the copies made under the license should not substitute for the purchase of whole published works.

(b) Determining the License Fee

The pricing of the copies made under the license is very important, as if the payment is too low, the risk that the copies made will substitute for legitimate sales of the work increases. Conversely, however, it is important that the cost of the license be reasonable, taking into account the circumstances of the use, which is of a limited portion of the work, generally for non-commercial purposes.

If agreement can't be reached about what the payment should be, the government may provide that the issue is to be referred to a tribunal for determination. For example in Australia, such disputes are referred to the Copyright Tribunal, which hears each party's arguments and then makes a binding decision as to what the payment should be.

In Australia, the legislation sets out a list of factors which the Tribunal is to take into account in determining the appropriate license fee. These include:

- The need to ensure adequate incentive for the production of educational works in Australia,
- The purpose and character of the copying,
- The effect of the copying on the market for, or value of, the material copied,
- The special circumstances of external students.

These factors are generally useful as a guide to setting license fees.

There are different approaches to calculating the license fee. Some commonly used examples are:

(i) Rate per Page

Under this approach the collecting society and the user of the copyright material agree a rate of

payment per page copied. The actual license fee is then determined by multiplying the agreed payment rate per page by the number of pages copied, using either the results of a sample survey or an agreed volume of pages.

The rate per page can be for all material types or a separate rate can be set for different types of materials or copies. For example, a different rate may apply to artistic works or musical works to reflect their special value.

To illustrate how this approach works, in Australia the general rate payable by schools per page for a literary work is \$0.04 (about US\$0.03).

This agreed rate per page is then multiplied by the number of pages copied to give the total license fee. In Australia, a sample survey is used to determine copying levels. It shows that approximately 200 pages are copied per student. This means that the license fee payable for each student per year would be \$8.00 (\$0.04 x 200).

In universities, the sample survey shows the copying per student is higher – around 400 pages. In this example, the license fee per student would be \$16.00 (\$0.04 x 400).

An individual school or university can then work out their total license fee by multiplying the per student amount by the total number of students they have enrolled.

(ii) Lump Sum

An alternative is to negotiate a lump sum amount. This method is often used for two reasons:

- in the first years of licensing, no information about copying volumes has been obtained, or
- where copying levels are relatively stable, licensees may prefer the certainty of a lump sum arrangement.

This lump sum amount may be worked out using the method mentioned above, but may also be a purely negotiated figure.

Examples of where CAL has taken a lump sum approach are:

- **No Information** - CAL's agreement with Australian universities provides for a sector wide payment of \$17 million each year over 4 years. This is to provide a safe harbour while we work out how much digital copying universities undertake.

- **Stable copying volumes** - CAL's license agreement with churches and funeral directors in which the license fee is set on a sliding scale based on congregation size. The fee remains the same from year to year, subject to changes in the inflation rate.

(c) *Monitoring of Copying*

The final common element of all licenses is establishing a method for the monitoring of copying. Copying should be monitored for a number of reasons.

- To estimate the number of pages being copied in order to calculate or determine the license fee payable,
- To find information about the works copied, so that the copyright owners can be identified, located and paid.
- To provide information that will assist in, or inform later license negotiations.

The information obtained can also provide information on copying practices in the sector generally, which is of interest to both copyright owners and licensees.

The most common options for monitoring of copying include:

- **full reporting** - complete annual records are maintained recording all instances of copying,
- **partial reporting or sampling** - a subset of users report their copying for a specified time period, or
- **statistical surveys** - the copying rate of a set of users is measured periodically.

With the sampling models, once the sample survey is completed the total amount copied in the sample is used to calculate the annual rate for the license fee based on the sampled period.

Every monitoring system is a balance between accuracy of recording, the burden of record keeping and the cost of using the system (what we call the **ABC** of monitoring). This means there is no one right system – what is right depends very much on the circumstances at the time and the agreement between the collecting society and the licensee.

Accuracy means the correct completion of sufficient records of copying to allow reliable estimates of copying levels to be made, and to provide information to be the basis of distributions to copyright owners.

Burden means the effort required by the licensee (and the collecting society) to complete these records of copying and manage the surveys. Burden can affect accuracy – if the licensee feels the survey is burdensome, and then they might be less inclined to complete their records accurately.

Cost – large surveys or full record systems can be costly to run and manage. If the costs of running the survey come out of license fees, then a very costly survey means that less money is available to distribute to copyright owners.

For large scale users, a sampling, or a statistical survey approach represents a satisfactory trade-off between *Cost, Burden and Accuracy*. It is not simply the case that more detailed or prolonged measurement will be better or more reliable. For example, increasing the recording period may reduce cooperation by the licensees, which reduces the accuracy of what is copied. It will also lead to increased costs, thereby reducing the amount available for distribution to members.

Most recording systems capture the name of the person copying, the location of copying (eg educational institution) and information about the work being copied. This is often obtained by asking the survey participants to attach a page from the publication containing this information such as the ISBN number in the case of a book or ISSN number for a magazine or journal.

The monitoring system will also include methods to measure usage conditions – as some licensing agreements restrict or require additional payment for the copying of certain types of materials such as worksheets, artistic works and poems.

Advances in digital rights management technology such as tagging technology may help address issues with record accuracy and reduce the administrative burden for RROs and licensees.

6.3. Distribution of License Fees

Once information which identifies the works being copied is collected from the monitoring system, the collecting society will combine this information within the information about copyright owners obtained from the member or affiliate records. The combination of these two sets of information is then used to determine the allocation of distribution payments.

Clear communication is essential to ensure copyright owners understand to whom and how often payments are to be made. Arrangements also need to be made for payment of copyright fees

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internationally through other collecting societies.

When considering how to approach the distribution, the collecting society should consider the following questions:

- how payment is determined across the licensing scheme by type of work and user group,
- deductions from the payment fund (this may include operating costs and funds used for altruistic or research and development projects),
- the timing of distributions (including distribution of funds from other national RROs and international RROs),
- exclusions from the distribution – types of works or users,
- procedures for payments which cannot be distributed, and
- Audit and query procedures.

Clear and regular communication with both copyright owners and users about these issues will also demonstrate and explain the distribution methods and increase each party's confidence in the collecting society.

7. Balancing the Relationship

Balancing the relationship between users (licensees) and copyright owners (publishers and authors) is vital to the effective management of a collecting society just as it is in the copyright system as a whole. Clear guidelines and transparent operations are key to achieving this balance.

As well as licensing activities, collecting societies may also contribute to the cultural fabric by lobbying for law and policy reform and also support cultural development through events, program and research sponsorship.

Many collecting societies make a small deduction from license fees received and apply that amount for cultural or charitable purposes. This is referred to as the Cultural Fund, and is an important part of a collecting society's activities, particularly in a country which is a net importer of copyright material. Some collecting societies use the cultural fund for scholarship, prizes and pensions for local rightsholders. It can also be used as a market development tool for local publishing projects.

In Australia, CAL allocates 1% of license fees collected to cultural development. The Cultural Fund supports independent research and activities by author and copyright user groups, sponsors events, and recognition and development programs. The Cultural Fund can also be used for education and communication activities.

8. Education and Communication Activities

A critical element in establishing effective copyright systems and respect for the rights of copyright owners is education – education of those in society generally to understand the importance of copyright and also of industry participants to understand the special features of the copyright industries, and their rights and obligations when using other peoples' copyright works.

Many collecting societies undertake extensive education and communication activities – either on their own, in cooperation with other collective management organisations, or in cooperation with their governments.

The need for education and communication campaigns arises from the increasing importance of the copyright industries – trade in informational, education and entertainment copyright goods is increasing all around the world.

For that reason it is important that the community understands their obligations in relation to copyright, and why these obligations are in place. Education and communication campaigns have as their objective changing community attitudes and to raise awareness of the issue of copyright infringement.

At an individual level, making a few copies of a legally acquired copyright work doesn't seem too harmful – except that each individual use is magnified as lots of individuals undertake the same activities. The impact, therefore on copyright owners can be severe.

In addition, there is the problem of piracy. The actions of copyright pirates are the target of enforcement measures in copyright law. To complement actions against pirates, education and communication activities focused on changing community attitudes are also important. The targets of these communication activities are sometimes industry participants and sometimes the community as a whole.

I propose now to briefly review some communication and education campaigns that have recently been conducted about copyright. The first three campaigns are targeted at changing community attitudes and increasing respect for copyright more generally. The remainder are targeted at changing copyright practices in specific industry sectors, and communication and education campaigns.

Denmark

In Denmark, a group of collecting societies organisations have developed a common communication strategy to ensure consistent messaging about copyright from all the various industry groups. The theme of the campaign is the protection of “*art, knowledge and entertainment*” The campaign focuses on the importance of cultural industries in ensuring cultural diversity.

The organisations involved in the campaign have developed common materials and activities. The campaign includes PR material and educational material geared towards school children to make them more aware of copyright.

Singapore

IPOS, the Intellectual Property Office of Singapore, has developed a campaign based on the idea of the HIP (Honour Intellectual Property) Alliance. The HIP Alliance is a group of public and private sector organisations and industry associations in Singapore with a common interest in pursuing the need for education about intellectual property.

The Alliance was formed in April 2002. The Alliance has over 20 members, which includes organisations involved in creative arts, creative industries, international organisations and industry bodies.

Since its inception, the Alliance has initiated and organised many awareness programmes that encourage people to respect and reward original creative works by Saying NO! to Piracy. The HIP Alliance has as its motto, Live for Real and produces a range of materials and activities focused on developing a preference for original rather than pirated product in Singapore’s youth.

For example, a current initiative is the launch of a video called – Copy Not Right which is a light hearted video highlighting some common mistakes about copyright made in the work environment with regard to copyright material.

They have a website “<http://app.hipfriends.org.sg/hip.asp>” on which individuals can register to become part of the HIP Alliance, and by virtue of their membership be invited to special happenings and events involving Singaporean artists and performers.

South America

A campaign to raise awareness of the impact of copying on individual authors has been implemented across South America. The campaign’s tag line is called *Each photocopy has a piece of its author*. This campaign features the image of a well known author from each country so the public is aware that making unlawful copies affects people they admire.

France

In France there was significant illegal use of press clippings by government agencies and by private businesses. The French collecting society CFC, launched a print campaign in the same newspapers that were being illegally reproduced. The first stage of the campaign was an advertisement showing a portrait of an office worker as a criminal or *delinquent*. The approach was deliberately provocative and prompted much controversy. The second phase of the campaign was more informative, offering a license as a solution to obtain authorisation.

This campaign’s success could be measured because of the increased number of enquiries for licenses by the organisations being targeted.

Canada

The Canadian copyright management organisation ACCESS Copyright has carried out a number of campaigns aimed at university staff and students to encourage them to respect copyright. Different campaigns are targeted at university bookshop and library staff and at students.

For staff, a campaign centred around the concept of RESPE©T has been very successful. However, this campaign was considered a bit dated for students. An alternate campaign for students including humour and visuals and with the tagline – *whatever you do, do it legally...* was appropriate for this audience.

So what can we draw from these education campaigns? There seem to be a number of common elements. Firstly, the campaign needs to be carefully targeted. Some campaigns focus on specific issues in certain industries such as the French press clipping campaign, others have a more general message. However, all clearly identify their objectives and target audiences. The messages also need to be tailored to the intended audience – humour seems to be generally effective.

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9. Digital Rights Management

The relationship between RROs, copyright users and owners will be further tested by advances in the digital environment. I have already spoken about the way in which digital use of copyright material has the potential to seriously disrupt the copyright industries.

However, Digital Rights Management (DRM) is a possible solution. DRM is directed at controlling digital reproduction and dissemination by developing:

- identifying and tracking methods for copyright material, and
- usage and access measures to prevent unauthorised use.

From the perspective of copyright owners, the purpose of DRM is to ensure that copyright owners can continue to benefit from the use of their works in the way that they have always done. DRM also aims to permit new legally-acceptable business models for the supply of works to develop.

As new DRM technologies emerge and are implemented, licensing systems, monitoring and distribution methods are likely to be dramatically affected.

From a copyright management perspective, the technological developments enable a more effective monitoring system for copyright licensing by:

- facilitating identification of works and copyright owners,
- monitoring access to and use of works, and
- underpinning the collection and distribution of fees due to right holders.

These digital rights management systems will have the capacity to collect and compile precise details about individual use of works. If collecting societies are to continue to offer services to copyright owners in the digital environment, they will need to ensure that through the use of this technology, they can provide rights management services more cheaply, responsively and efficiently than if rights owners concerned were to undertake those activities themselves.

10. Conclusion

A sound copyright legal framework is the cornerstone of creativity and innovation. To achieve our community's goals in education and publishing, and in other areas of economic and cultural development, there must be an effective, harmonised framework of international copyright law.

However, putting in place the machinery to collect information about copying, to identify the owners of the works being copied and to make payments to rights holders, is an extremely complex process. A great deal of work is required on the part of a wide range of interested parties to determine and agree on the most effective solutions to a long list of problems and obstacles.

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Caroline Morgan
Copyright Agency Limited, October 2006

Topics

- Collective management of copyright – what is it?
 - International environment
 - Main functions of collecting societies – licensing, monitoring and distribution
 - Communication and education campaigns
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Topic 1

Collective Management
of Copyright
What it is?

Individual and Collective Management of Rights

Alternatives:

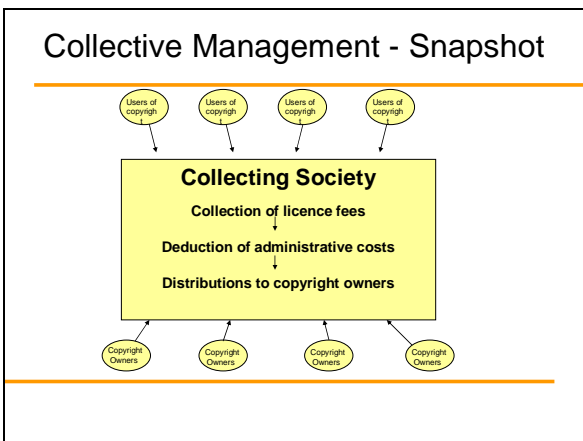
- **Individual Administration** - appropriate for some copyright uses such as publishing
 - **Collective Management** - essential when individual administration is impractical or impossible
-

Collective Management

- A large number of low value uses of copyright material
 - A large number of copyright users
-

Collective Management

- Photocopying, in schools and universities
 - Playing of music on radio stations and television
 - Use of music for karaoke, in restaurants and bars
 - Downloading of ring tones
-



Benefits of Collective Management

Creators/ Copyright Owners	Users/ Society
Payment for works provides incentive to create	More works created provides access to a greater repertoire of material, new ideas and cultural expression
Collective management is cheaper than individual administration	Lower administrative costs means affordable access to materials, reduced transaction costs
Collective management licensing schemes provide direct access to mass users of copyright	Licensing schemes provide clear and consistent legal guidelines and administrative rules for use of copyright material
Legal and social assistance for copyright owners	Inform and educate the community about the value of copyright works and their uses

Topic 2

International Environment

- ### The International Environment
-
- Foreign repertoire
 - Networks of national collecting societies
 - The digital challenge

- ### About Copyright Agency Limited (CAL)
-
- Australian rights management company
 - Not-for-profit, owned by members
 - Diverse membership:
 - Authors
 - Illustrators
 - Publishers
 - Building social infrastructure

- ### IFRRO – The International Federation of Reproduction Rights Organisations
-
- IFRRO began in 1980
 - It has 48 RRO members and 61 Associate members
 - It fosters the creation of new RROs and facilitates rights exchange agreements between members

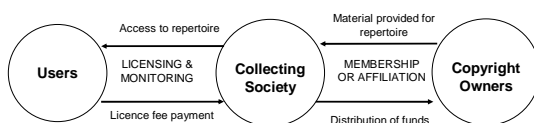
IFRRO Asia Pacific Committee

- Support for rightsholders and copyright users in the Asia Pacific:
 - Workshops and seminars
 - Research
 - Training for new collecting societies and government staff
 - Loans to emerging collecting societies

Topic 4

Collective Management Key Functions

Key Roles of Collecting Societies



Key Roles of Collecting Societies

- Rights acquisition
- Developing licence schemes
- Establishing monitoring systems
- Paying copyright owners

Rights Acquisition Authors and Publishers

- Must obtain active involvement from both authors and publishers
- Authors can include writers, academics, photographers, visual artists, journalists
- A requirement of IFRRO support and full membership is that the collecting societies represent both authors and publishers

Rights Acquisition

- Model – direct grant of rights or via publisher and author groups?
- Which rights for which sectors?
- Exclusive or non-exclusive?
- Reproduction and digital?

Licensing

- Licence groups:
 - Education
 - Government
 - Trade and industry
 - NGOs/institutions working in public interest

Elements of a Licence

- Authorising of access to works
- Calculation of licence fees
- Monitoring system

Authorising Access to works

- Authorizing access to works
 - Usually only of portions of works
 - For internal or personal use

Balance: Not to substitute for or eliminate the market for published versions of the works

Calculation of Licence Fees

- Rate per page or person receiving copies
- Lump sum
 - No information
 - Stable copying levels

Rate per Page

Rate per page	x	Number of pages	=	Payment per student or staff member
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Monitoring Purposes

- Estimate copying volumes
- Identify and pay copyright owners
- Provides information to assist in future licence negotiations
- Provides information on copying practices generally – useful to publishers

Monitoring of Copying

- **Full reporting:** complete records are maintained, recording all actual copying
 - **Partial reporting:** a subset of users report their copying over a specified time
 - **Statistical surveys:** the copying of a set of users is measured periodically
-

Monitoring Factors to Consider

- Accuracy
 - Burden
 - Cost
-

Distribution

- Individually or through associations or other collecting societies
 - Distribution rules
 - Transparency
-

Cultural Funds

- Small percentage of collections
 - Used for industry support, awards, communication and education campaigns
-

Topic 5

Education and Communication Activities

Education and Communication Campaigns

- Increasing importance of copyright industries
 - Objectives of education campaigns
 - to improve understanding of rights and obligations
 - to change community attitudes
 - to combat piracy
 - For industry participants and society as a whole
-

Copyright Campaign - Denmark

- Private sector collaboration - all copyright management organisations
- Clear strategic message – art, knowledge, entertainment
- Supplemented by an anti-piracy group, which takes direct action against pirates

Denmark

- Marketing tools used include the internet and print publications
- Results measured by independent reporting

Singapore – HIP Alliance

- Focused, with clear messaging
- Honour Intellectual Property – Live for Real
- Public/private sector joint venture but the prime mover is the government
- Say NO! to piracy

Singapore – HIP Alliance

- Uses a variety of media and marketing tools
- Website, posters, activities, T-shirts
- Long term campaign – since 2002
- Recently launched a VCD on CopyNOT Right

Singapore – HIP Alliance



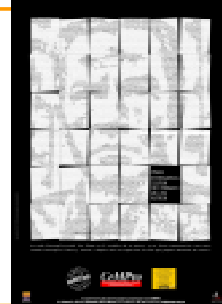
Singapore HIP Alliance



Copyright Education Campaigns - Columbia

- Public/private alliance
- Clear messages - an anti-piracy campaign
- Segmented campaigns - a series of television advertisements, exposing the problems with pirate goods with the tag "what a shame"

South America



France – Portrait of a Delinquent

- Targeted – focus was illegal use of press clips in corporations
- Coordinated by the copyright management organisation – CFC, with cooperation of all newspapers in France.

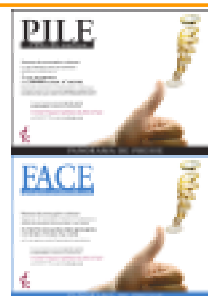
France – Portrait of a Delinquent

- Clear, deliberately provocative message – this is criminal behaviour
- Effectiveness was measured by tracking licence enquiries.

France – Portrait of a Delinquent



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France – Portrait of a Delinquent

- Clear, deliberately provocative message – this is criminal behaviour
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Canada

- Focused on illegal copying in universities and in particular staff in libraries and bookshops
- Clear message – R-E-S-P-E-©-T
- Guessing competitions, t-shirts, bags and posters themed the campaign

Canada

R-E-S-P-E-©-T

Ever heard of Access Copyright? It's a not-for-profit organization that licenses schools like yours to access your educational photocopying needs. As with all licenses there are limits, though.

Right now students can enter to win \$500 by answering three simple questions about the license. But enter right away! The contest closes October 3, 2003.

To find out more go to www.accesscopyright.ca.



The Canadian Copyright Licensing Agency

What makes an Effective Education Campaign?

- Clear focus and message
- Targeted communications
- Variety of communication tools
- Recognition that changing attitudes is a long term project
- Private/public partnerships

Digital Rights Management

- Identification and tracking methods (e.g.) numbering systems such as the Digital Object Identifier
- Usage and access measures (e.g.) password protection
- WIPO Copyright Treaty

Questions?

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