

COPYRIGHT AND THE CREATIVE INDUSTRIES – ROLE OF COLLECTIVE SOCIETIES

Future Challenges

What are Creative Industries?

- “Cultural” industries (in continental Europe);
- “Creative” industries in UK;
- “Copyright-based” industries (in other countries)
- Activities that have their origin in individual creativity, skill and talent
- WIPO defines Core Copyright Industries as follows:
 - Press and Literature
 - Music, Theatrical Production and Opera
 - Motion Pictures and Video
 - Radio and Television
 - Photography
 - Software and Databases
 - Visual and Graphic Arts
 - Advertising Services
 - Copyright Collecting Societies



Contributions of Creative Industry to Economy

“Copyright Industries make significant contributions to the Singapore’s economy” ...

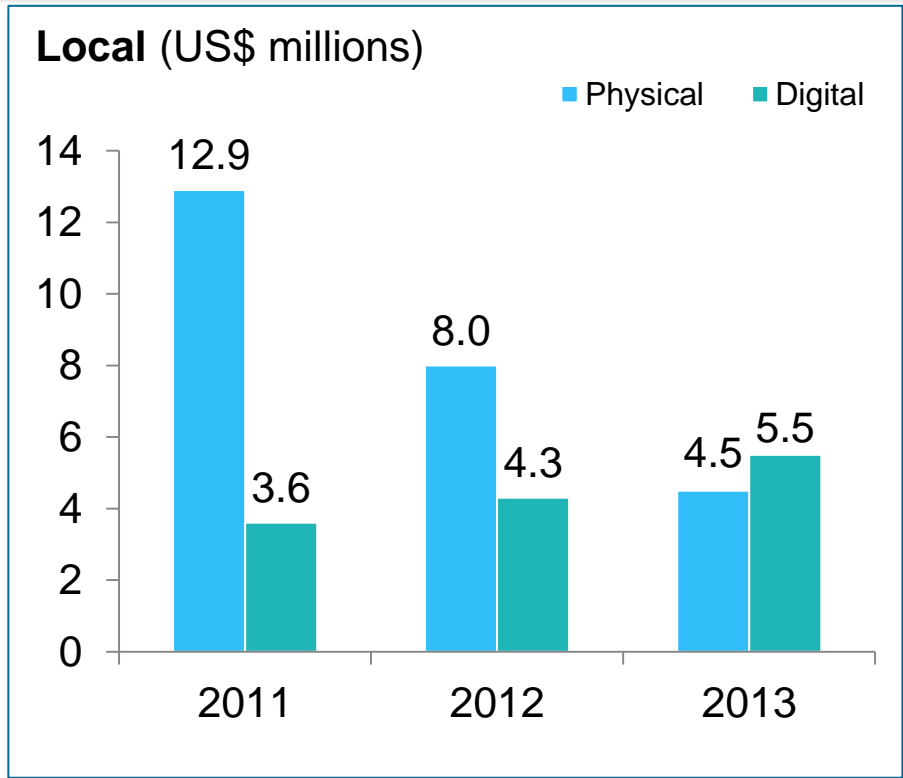
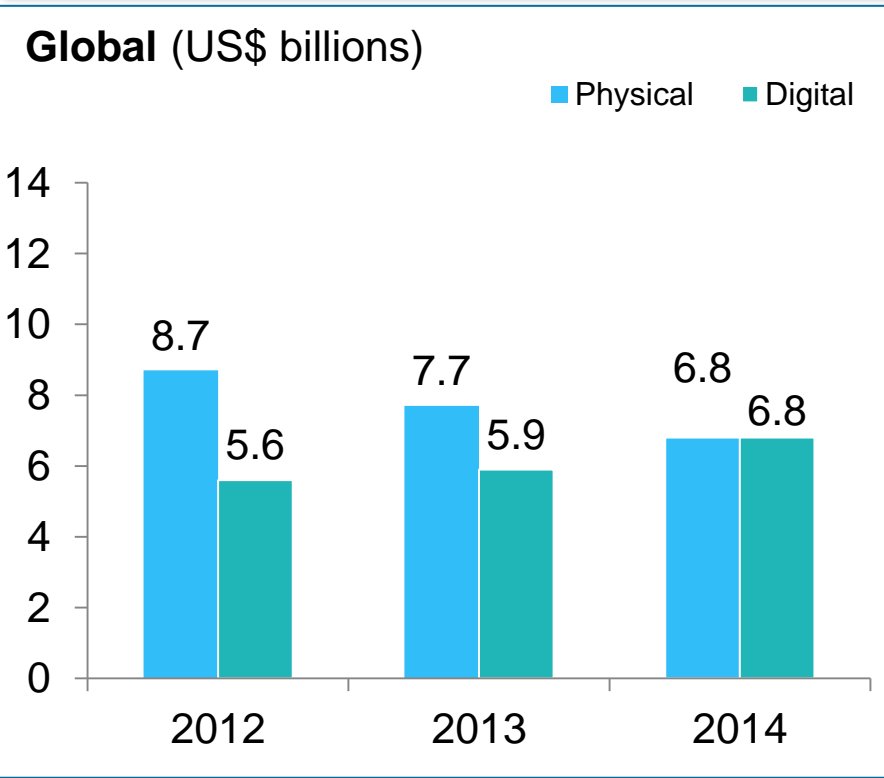
***Research by NUS Consulting commissioned
by IPOS and IP Academy***

- Findings of Study (in 2004):
 - Output: \$35.5 billion
 - 5.7% of GDP
 - Value added: \$8.7 billion
 - Employment: 5.8% of workforce
 - Domestic exports of copyrighted goods and services: \$3.5 billion or 2.3% of GDP

Internet's Impact on Creative Works

Internet is game changer for book publishing, film and television, music and gaming (both opportunities and threats)

Recorded Music Sales



Source: IFPI

Internet's Impact on Creative Works

- Consumption levels of creative products up

- Online media's "for free" culture

- Vast opportunities for authors to disseminate their works

- Productivity improvement in the creative sectors

- Territorial nature of copyright applied in a borderless online environment

- New forms of piracy which are difficult to combat

New ecosystem architecture emerging

- Music – Spotify model?

- Movies – Netflix?

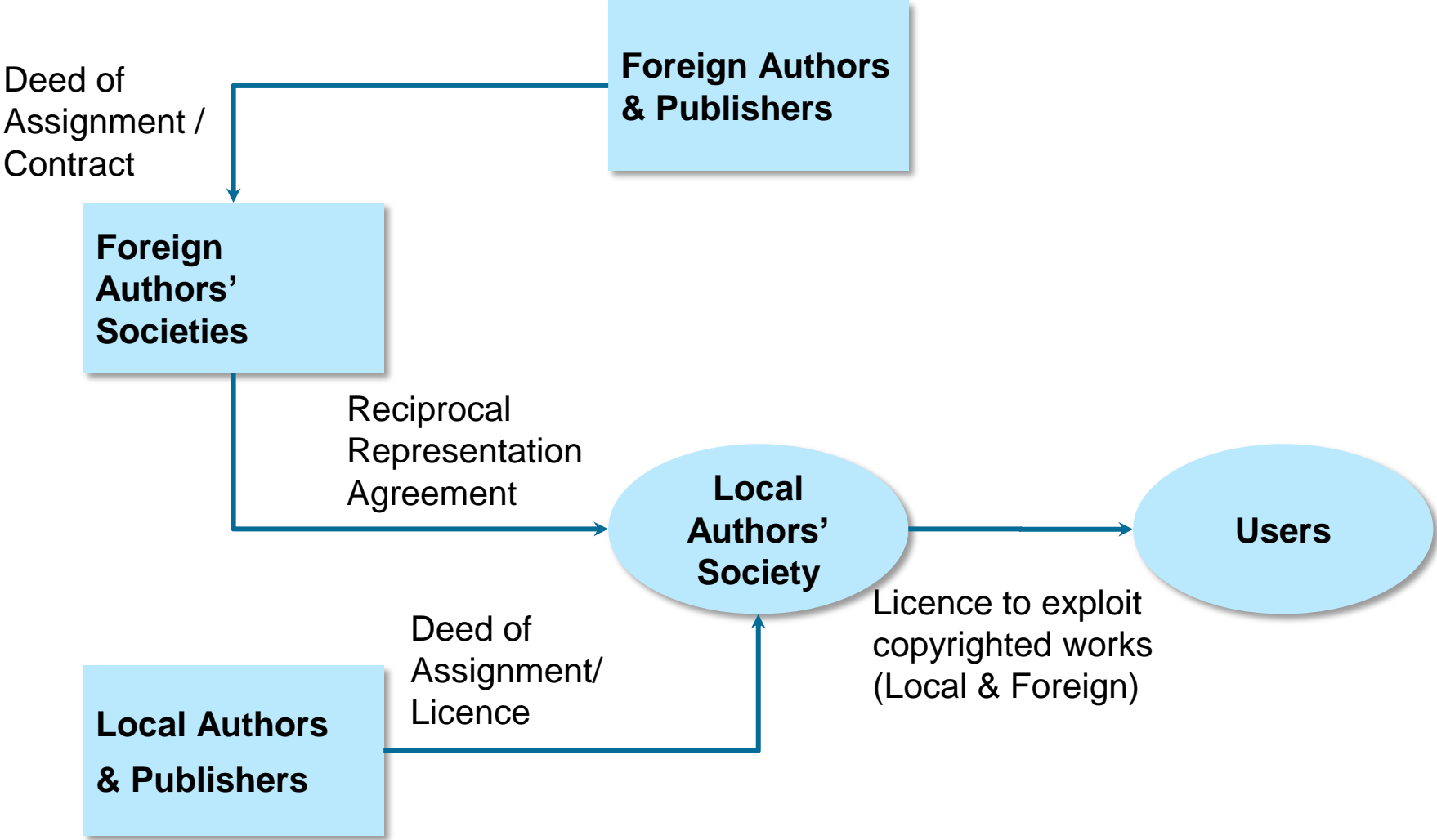
- Books – Amazon Kindle?

The Role of Collective Management Organisations

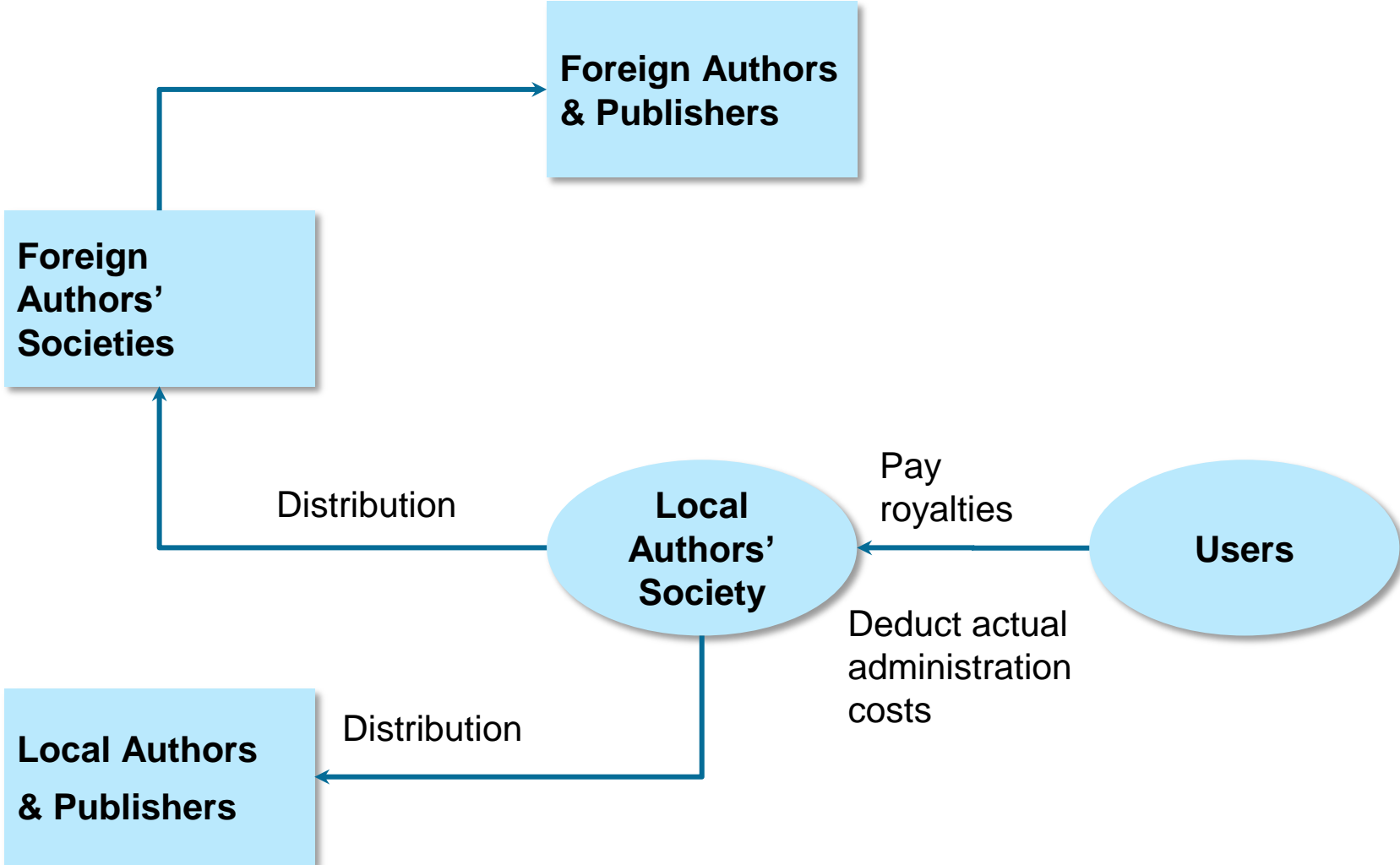
CMOs have the following principal functions

- License the use of the rights they manage
- Monitor the usage of works by licensee to enforce the conditions upon which the licence has been granted
- Collect and distribute the royalties payable as a result of the licensed use.

Flow of Rights



Flow of Royalties



Revenue Figures Involving Authors' Rights

Highlights of 2014 Collections

Amount CISAC member societies collected: 7.9 bn Euros

Music accounted for 87% of total collections

61% of total collections come from Europe

Performing rights accounted for 79% of total collections

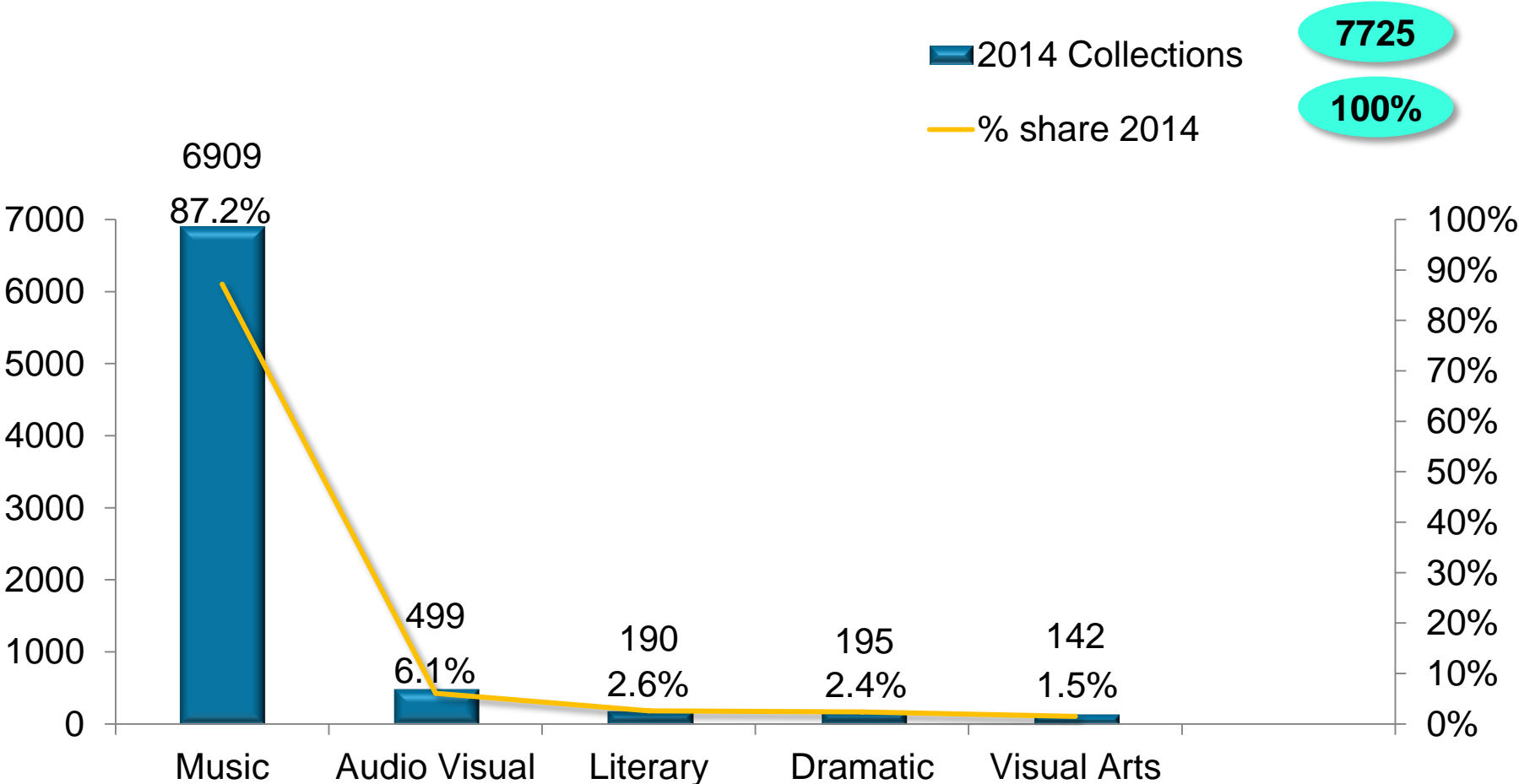
11% growth in the BRIC countries

Digital & Media revenue year-on-year growth: +20%

Revenue Figures Involving Authors' Rights

Total Collections by Type of repertoire

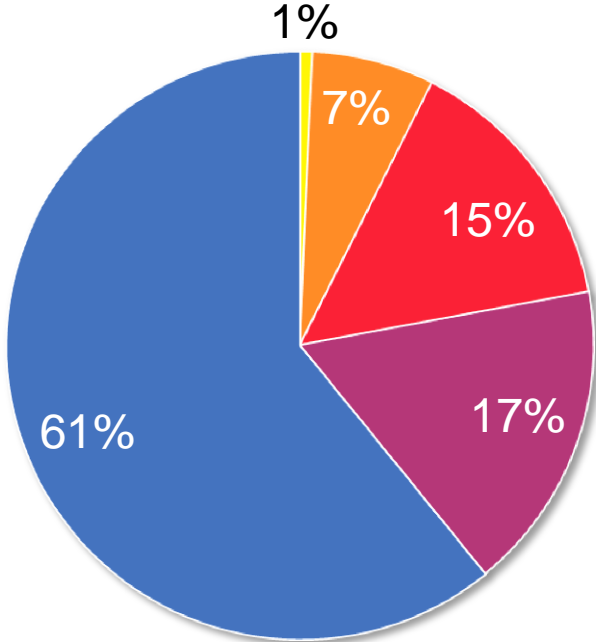
Total Collections



Revenue Figures Involving Authors' Rights

2014 Share of Regions in Global Collections

- Africa
- Latin America
- Asia-Pacific
- Canada-USA
- Europe



Revenue Figures Involving Authors' Rights

2014 Collections Per Head of Population

Rank	Country
1 st	Switzerland
2 nd	Denmark
3 rd	France
4 th	Austria
5 th	Finland
12 th	UK
18 th	Japan
24 th	US
34 th	Singapore

CMOs in Singapore

Recording Industry Performance Singapore Pte Ltd (RIPS)

- Established in 1998 by the record companies
- Public performance of karaoke and music videos
- Reproduction of sound recordings for various purposes
- Turnover about S\$2.8 million

Copyright Licensing & Administration Society of Singapore Ltd (CLASS)

- Established in 1999 by the academic book publishers and authors
- Photocopying and e-copying of books, journals and periodicals
- Turnover about \$1.9 million

Composers & Authors Society of Singapore (COMPASS)

- Established in 1992 by music writers (composers and lyricists) and music publishers
- Public performance, communication to the public (broadcast, cable transmission, making available) and reproduction of musical works
- Turnover about S\$22 million

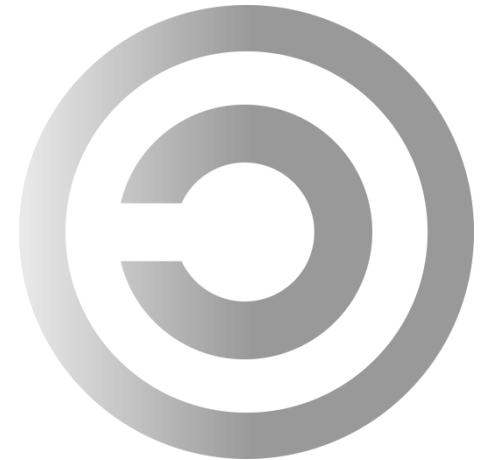
Problems faced by CMOs

- Declining value of copyright in online environment
- Territorial fragmentation (borderless internet world vs. national copyright systems)
- Fragmentation of licences
- “Opt out” mechanism subverting traditional approach of getting consent before commercial exploitation
- Enforcement issues



Copyright Licences

- Grant users permission to reproduce, modify or adapt the original work
- Allow modifications to work if modified work is released with same licence
- AKA “viral”; “ShareAlike”
- Certain conditions may apply such as attribution; non-commercial; no derivative works
- Examples - Flickr, Sound Cloud



Way Forward

- Digital technologies continue to pose challenges and opportunities
- Demand for copyrighted works will increase
- Copyright and other related laws (competition, tax) need regular review to remain relevant
- CMOs remain the proven solution for management of online copyrights





THANK YOU