



January 5th, 2010

Stim submission to the Consultation on Creative Content in a European Digital Single Market: Challenges for the Future

Stim would firstly like to endorse the submission made by GESAC, Stim believes that for the majority of areas covered in the Reflection Document GESAC has presented a reasoned and well founded consultation paper.

There are however some additional points that Stim would like to focus upon;

i) ICE

Whilst Stim recognizes the impressive work and great value of initiatives such as CIS-Net and believes that the work of harmonizing data formats needs to continue and indeed be extended, Stim would like to draw attention to the fact that CIS-Net is not the only multiple society initiative into creating improved ownership and license information systems. Stim along with PRS for Music have developed and launched a multi-rights, multi-territorial repertoire database that is capable of storing global repertoire information on a territory-by-territory basis called 'ICE'. Phase 1 of this ambitious project went live in January 2010 and encompasses repertoire/works/contractual information. Further phases will cover licensing and distribution. Stim believes that ICE has the capabilities to become a cornerstone of collective rights management systems for the next decade and looks forward to a wider analysis of ICE that will likely be undertaken under the auspices of the DGCompetition Online Roundtable working group.

ii) Interactive versus Non-Interactive

Whilst discussing the merits of the Satellite and Cable directive there seems to have been a lack of distinction between interactive and non-interactive exploitations. It may be that unlike interactive forms of exploitation, non-interactive forms of exploitation, such as web-casting, are more suitable to be licensed under a system similar to the Satellite and Cable directive if a 'point of origin' for such transmissions can be adequately defined.

iii) Piracy

Whilst Stim wishes to re-emphasise the overriding importance of dealing with the rampant piracy that infects new technologically driven spaces and the fact that Stim sees piracy issues as in need of strong support and action on the part of European and national legislative departments. Stim has also observed that there is need for a more dynamic and flexible approach to consumer behavior and has thus sought to create a consultation process including both Swedish Internet Service Providers and other interested stakeholders from the music industry. As Sweden was an early adopter of internet broadband, is generally at the cutting edge of new technologies and has observed a much higher than average illegal download ratio of 40 illegal to 1 legal Stim believes that Sweden may afford an important example. Stim would be pleased to be further consulted regarding our findings and conclusions in this area.

iv) Fragmentation & Re-aggregation of rights

a) Whilst Stim acknowledges that GESAC's submission covers this issue in some detail Stim would like to make the general observation that the recent fragmentation of Authors rights has merely led Authors rights to be in a similar situation to that of audio recordings, music synchronization or film rights. Music publishers following the 2005 Cross-Border Recommendation are now enjoying the same freedoms as record labels and film companies. Furthermore the one-stop-shops for Authors rights that were available prior to are now being generally recognized as the extremely valuable products that they were.

b) In response to direct demands from the marketplace several societies have launched initiatives that are solving some of the issues of rights fragmentation. The recently launched 'Nordic Cooperation Model' being one of these covering nearly a third of the EU & EFTA. Users active in two or more countries within the Nordic/Baltic territories (Denmark, Estonia, Iceland, Finland, Latvia, Lithuania, Norway and Sweden) may now upon request obtain a single multiple territory license covering two or more of these territories. This initiative was presented over the latter half of 2009 to DGCompetition and all major rights holders to wide appreciation and approval.

v) Private Copy

Whilst considering digital developments it is also important to review the entire palate of options available. Currently private copy levies are not extended into sufficient areas to cover their intended function. In today's media orientated world all computers, be they desk-top, lap-top, tablet, handheld or otherwise are either sold as fully enabled media devices or can be adapted to such with widely available free software. As mainstream media consumption becomes ever more centered around digital delivery methods the broadening of Private Copy levies merit review in Stims opinion.

In conclusion Stim would like to extend its offer to join any broader consultation, such as working groups. Stim believes it can bring to any such consultation process a uniquely wide range of experience, both as a medium sized collective rights organization that has actively been documenting and licensing repertoire in an multi-territorial marketplace for decades but also as a cutting edge rights organization that is continually reviewing and developing innovative systems and models for documenting and licensing intellectual property.
