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Brussels, 24 February

Dear President Juncker,

Status of online platforms in relation to copyright

We represent authors and performers in all artistic fields as well as music publishers and producers, photo agencies, and press publishers, which are at the heart of the European creative sector. We are writing to you to express our concern over the legal status of certain online platforms in relation to copyright.

The creative sectors we represent are key drivers of the EU digital economy, enabling the take-up of networks, devices and digital services. They accounted in 2012 for 4.2 % of EU GDP, and employed more than 7 million people, 3.3% of the EU active population (Ernst & Young study). The creative sectors rely on copyright and, with the right legal framework in place, they will be able to grow further.

Today, creative works and products are widely available in Europe across a large range of services, and are enjoyed by consumers more than ever. However, our sectors have not benefitted fairly and proportionately from this increased consumption. One of the main reasons for this is a market distortion, often referred to as the 'value gap' or 'transfer of value', which has been created by the lack of clarity regarding the status of certain online services under copyright laws.

Some major services, including user-uploaded content platforms and content aggregation services, have built large and sometimes very profitable businesses based on making copyright protected

content available to the public, thereby attracting vast numbers of users. Unfortunately, these services reject any obligation to get a copyright license for these acts, or they offer "take-it or leave-it" terms to the right holders.

Due to a lack of clarity in the EU copyright framework, such services claim that they do not need to ask for copyright licenses from our sectors. The absence of proper negotiations deprives our sectors of revenues, and depreciates the value of European cultural and creative input. It also creates an uneven playing field between fully-licensed digital services and services which develop without paying at all, or at far-below market rates for the 'key input' of their businesses: creative works.

The lack of clarity surrounding the EU copyright framework creates a major obstacle to the development of cultural and creative sectors in the digital economy in Europe, and we urge the Commission to remedy this situation. We welcome the fact that the Commission's Communication on Copyright has identified the role of online services under copyright as a key issue, and we urge the Commission to follow up with legislation clarifying that online services which engage in the communication to the public or making available of content protected by copyright fall under copyright rules, and cannot invoke "safe harbor" privileges.

This will remove a distortion in the digital market, benefitting creators, creative sectors, innovative digital services, and consumers alike, stimulating growth in the European digital economy.

We thank you for your support and are at your disposal should you need any additional information.

Yours sincerely,

CEPIC – Centre of the Picture Industry

ECSA – European Composer and Songwriter Alliance

EFJ – European Federation of Journalists

EPC – European Publishers Council

EVA – European Visual Artists

EWC – European Writers' Council

FIA – International Federation of Actors

FIM – International Federation of Musicians

FSE – Federation of Screenwriters in Europe

GESAC – European Grouping of Societies of Authors and Composers

IAO – International Artist Organisation of Music

ICMP – International Confederation of Music Publishers

IFPI - Representing the Recording Industry Worldwide

IMPALA – Independent Music Companies Association

SAA – Society of Audiovisual Authors

UNI-MEI – Global Union in the Media, Entertainment and Arts