

ALAI Executive Committee on 18 June 2006 in Barcelona

Silke von Lewinski

EC Commission's Recommendation on online music licensing

The Working Group consisting of Samantha Holman, Stefania Ercolani and Silke von Lewinski regarding the EC Commission's Recommendation on online music licensing has followed activities taken place after the adoption of the Recommendation in October 2005. During the limited time passed after the adoption of the Recommendation, only relatively few factual developments could be observed. In particular, EMI Music Publishing had announced to establish a cross border pan-European online licensing regime together with MCPS-PRS and GEMA; also the Spanish Society SGAE was addressed in this context. According to the available information, also Warner Chappell was circulating a tender among collecting societies envisaging a new standard for the administration of online rights, and BMG was expected to act similarly.

At the political level, the Legal Affairs Committee of the Parliament was reported to have set up a working group in order to prepare an opinion by the European Parliament. At the time of the ALAI Executive Committee meeting, the Legal Affairs Committee has discussed this issue several times on the basis of a working document by the rapporteur of the working group. Also the European Parliament's Committee on Culture and Education had worked on a draft opinion regarding the Recommendation to be submitted to the Legal Affairs Committee, which is the leading committee in this matter. The then available draft of May 4, 2006, called on the Legal Affairs Committee to incorporate a number of suggestions in its motion for a resolution, including an invitation to present as soon as possible a suitable legal proposal to regulate efficiently collective rights management in the music industry, and supporting, at the same time, the Commission's approach that right holders should choose one or some collecting societies for management of their repertoire in all or also several selected countries. Additional, non-secret information on developments regarding the Recommendation was not available. Apart from the Recommendation, the Statement of Objections by the European Commission's DG Competition of 31 January 2006, addressed to CISAC and 24 of its

members, was mentioned as another, new challenge to collecting societies, because it targeted three clauses of the reciprocal representation agreements existing between authors' societies.

The working group announced to continue observing consequences of the recommendation until the next meeting of the Executive Committee and to draft a report if sufficient new material will be available.