

COU18-0350

Mrs Lydia Koniordou Minister of Culture Ministry of Culture and Sports 20-22 Mpoumpoulinas Str. 106 82 Athens Greece

Neuilly sur Seine, April 23, 2018

By post and email:

Dear Minister Koniordou,

I am writing to inform you about CISAC's plans concerning collective management of authors' rights in Greece, and to seek your Ministry's support.

CISAC is the leading worldwide network of authors' societies. Our membership includes over 230 societies (also referred to as Collective Management Organisations) in 121 countries. Together, our members represent and protect the rights of more than 4 million creators from all artistic fields including music, audiovisual, drama, literature and visual art. CISAC plays a leading role in setting professional standards and ensuring that the highest levels of efficiency, transparency and governance are maintained by its members.

Within Greece, AUTODIA is a member of CISAC. AEPI, which used to be a member, has been expelled from the organisation in June 2017.

The CISAC Board of Directors and societies community are deeply concerned regarding the collapse of AEPI and the vacuum that this leaves in the protection of author's rights in Greece. The issue has been discussed by our Board of Directors on a number of occasions, with the aim of finding the most efficient solution in the fastest way possible. In order to help us evaluate all alternatives to remedy the ongoing problems in the market, CISAC conducted a mission to Athens from 9th to 12th April. The mission was carried out by a team of three experts in the collective management field. During the visit, our team met with all key stakeholders, including AUTODIA, GEA (the Neighbouring Rights joint-venture), the Intellectual Property Office (OPI), the Head of Cabinet of the Minister of State, the AEPI commissioner, the four creators' unions (ASMA, YPERVASI, SOMSE and METRON), the Hellenic Music Publishers Association and individual music publishers and creators.

The goal of our team's visit to Athens was to gather the views of all interested parties and establish what role CISAC could play in bringing stability to the Greek collective management landscape. Our experts sought to understand the advantages and disadvantages of three potential approaches, namely: (1) the development of AUTODIA as a fully operational CMO representing the Greek repertoire at large as well as the international repertoire, (2) the setting up of a new collective management entity and (3) the recently-announced government initiative for a 'special vehicle' to collectively manage rights.

Following the visit, our team prepared a report that was circulated to the CISAC Board of Directors and Executive Governance Committee. These bodies, which include representatives of major authors' societies from around the world, resolved that CISAC should support option 1 above, namely develop AUTODIA into a fully operational CMO. This option was shared with the International Confederation of Music Publishers (ICMP), who confirmed their support to this approach.

Improving the capacity of AUTODIA is a role to be taken seriously and is one that will need significant investment of time and resources from the CISAC community. Specifically, CISAC has identified different actions that will need to be taken immediately to make this a viable solution, including a reform of the governance of AUTODIA; changes to AUTODIA's Statutes to allow proper representation of all categories and groups of rightsholders in Greece; update of AUTODIA's distribution rules to ensure best practices in accordance with international standards; the appointment of an experienced society expert as a full-time interim CEO for a minimum of 6 months; assisting AUTODIA in hiring and training new staff, and others.

CISAC believes that quickly investing in developing and improving AUTODIA's operations is the most viable and preferable solution to the dire collective management situation in Greece. We trust that this approach will build consensus among Greek creators and publishers and gain trust among the international society and publisher communities.

While there clearly is a lot of effort involved in developing the operations of AUTODIA, it has some clear advantages. AUTODIA is already a full member of CISAC. It is an existing non-profit organisation with a license to operate in Greece. The society has expressed its strong commitment to being transparent and meeting CISAC's best practice rules, as well as taking all restructuring measures needed and required by CISAC. Importantly, AUTODIA already concluded some reciprocal agreements with other CISAC members for the management of their rights in Greece.

Given all the above, we truly believe that restructuring and improving AUTODIA is much preferable to the alternative currently being considered by the government, namely to set up a state-controlled temporary vehicle. As AUTODIA already exists, it would make more sense to concentrate efforts on it, than creating an additional entity. Our experience has shown that having numerous collective management entities in a single market rarely leads to positive outcomes and will likely raise numerous challenges to the protection of authors' interests.

CISAC also has serious doubts about the compliance of the government's proposed solution with the rules established under the EU Directive on Collective Rights Management (Directive 2014/26/EU). We also have concerns with respect to the government's ability to effectively operate a collective management entity, as this activity requires specialist technical expertise, knowledge, skills and training on documentation, data, collections, allocation and distribution of royalties. Further, unlike the government's proposal, CISAC's approach to the development of AUTODIA will not expose the Greek taxpayer to funding the creation of a new society. Finally, while small in scale, AUTODIA has experience and knowledge of operating as a society. We do believe that it offers a solid and promising basis to further improvement, which would lead to a fully operational society in a fairly short period of time.

CISAC would be grateful to obtain the full support of your Ministry in promoting this ambitious plan. We would welcome the government's financial support, if possible, in executing our plan which we believe will benefit the market as a whole, bring stability and ensure local and international authors and publishers about the protection of their rights and interests under Greek law. We also seek the Ministry's support in ensuring AUTODIA's ability to operate without obstacle or interference from AEPI or other entities. A clear statement from the government on its support to CISAC and AUTODIA will go a long way in helping us with our mission and in reducing confusion in the market.

Finally, we ask that the Government does not proceed with its proposed 'special vehicle' at this time and allow our solution the possibility to solve the difficult situation currently experienced in the collective management landscape in Greece.

Yours sincerely,

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Director General

cc: **Greek Minister of State** – Mr Christoforos Vernardakis - <u>vernardakis@ypep.gr</u> 19 Irodou Attikou Str., 106 74 Athens, Greece

Hellenic Copyright Organisation (OPI) - Ms Irini Stamatoudi, Director - legal@opi.gr / info@opi.gr / <a hr

Hellenic Music Publishers Organisation - Ms Virginia Kokiou - <u>Virginia.kokiou@umusic.com</u> 245-247, Messoghion Ave., 154 51, Athens, Greece

Provisional State Commissioner of AEPI S.A. - Ms Maria Vlachou - <u>mvlachou epitropos@aepi.gr</u> 51 Saou Str 15125, Maroussi, Greece

Creators' Union SOMSE - Mr Ilias Filippou - <u>info.somse@gmail.com</u> 47, Taygetou Str., 16 561 Glyfada, Greece

Creators' Union TO METRON - Mr Stathis Drogosis - swmateiotometron@gmail.com 41, Vizantiou Str., 17 122 Nea Smirni, Greece

Creators' Union ASMA 450+ - Mr George Kopakakis - 450dimiourgoi@gmail.com 18, Alexandras Ave., 106 72 Athens, Greece

Creators' Union IPERVASIS - ipervasiss@gmail.com

AUTODIA - Mr Yiannis Glezos - <u>yglezos@autodia.gr</u> 3 Korai Street, 105 64 Athens, Greece