

Music Business Worldwide

«Greece's music rights sector in turmoil as head of copyright office steps down»



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By Murray Stassen

Greece's scandal-hit authors' rights sector has just been plunged back into crisis.

The country's major CMO, AEPI (the Hellenic Society for Protection of Intellectual Property), was <u>investigated by the country's Public Prosecutor in March 2017</u> after widespread allegations of corruption.

Ernst & Young audited its 2011-2014 finances and found that during the period AEPI had sustained losses of just over €11m, failed to distribute around €42m in royalties to its members and that it was nearly €20m in debt.

Its Managing Director Petros Xanthopoulos, on the other hand, was being paid an annual salary of €635,000.

Earlier this year, the Government permanently <u>revoked the license</u> of the (former family-run) AEPI and decided to set up a new state-owned authors society, called the EYED.

In the latest episode of this on-going saga, a key government official, Irini Stamatoudi, who was at the centre of efforts to rebuild the sector, has just quit her job as head of the the Greek Copyright Office (OPI).

We know this because her damning resignation letter has been published in full by the country's national newspaper <u>Kathimerini</u> and other outlets such as <u>Times of Change</u>.



In the letter, addressed to the country's Minister of Culture and Sports Mirsini Zorba, Stamatoudi cites a general lack of transparency and behaviour of officials at the OPI and EYED as the main reason for her decision to step down.

Among the list of allegations, translated into English, Stamatoudi accuses officials of taking out excessive salaries, and dishonesty about their relationship with AEPI.

She also highlights issues such as missing expense reports, the conflict of interest of officials who sit on the boards of both the copyright office and the EYED.

The Government put the Copyright Office (OPI) in charge of EYED, even though OPI is also the government agency responsible for supervising the country's societies.

The letter also alleges unequal treatment of EYED compared to other CMOs operating in the same market, which, argues Stamatoudi, implies that there is "unequal treatment among authors and other rightsholders".

The other prominent CMO operating in the market is Autodia, which is supported by most major societies around the world as well as The International Confederation of Societies of Authors and Composers (CISAC).

MBW understands that most of the top local publishers have signed with Autodia and that it has hired over 30 new members of staff, some of which have previous experience from working at AEPI.

Autodia also appointed a new "Interim CEO", Declan Rudden in September "to coordinate Autodia's transition to a modern European Collecting Society."

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Gadi Oron, CISAC

Speaking to MBW, CISAC Director General Gadi Oron called the resignation of Irini Stamatoudi "a huge loss".

"We have appreciated her genuine efforts over many years to improve the collective management system in Greece", added Oron.

"CISAC is leading an unprecedented effort in Greece to save a collapsing market. There is an exceptional unity and commitment among our members to returning this market to long term stability.

"We have been working since April to help develop CISAC's only member society in Greece, Autodia, including significant funding which has been provided by members, and numerous reciprocal agreements.

"Illustrating the faith placed in Autodia by CISAC members, a funding package of over €1 million from many of its international partners has been agreed in recent days, and many societies offered their expertise and training to quickly improve Autodia's capacities and operations". Music Business Worldwide

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