



Copyright and the Digital Agenda for Europe: Current Regulations and Challenges for the Future

Panel #1 : Making content accessible in a Digital Single Market

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Athens, 6th June 2014



The development of digital content offers is a reality all over Europe

Music ecosystem

→ **30 million** of titles available

→ The **5 main online music services** (iTunes, Deezer, 7Digital, YouTube, MySpace) available all over Europe

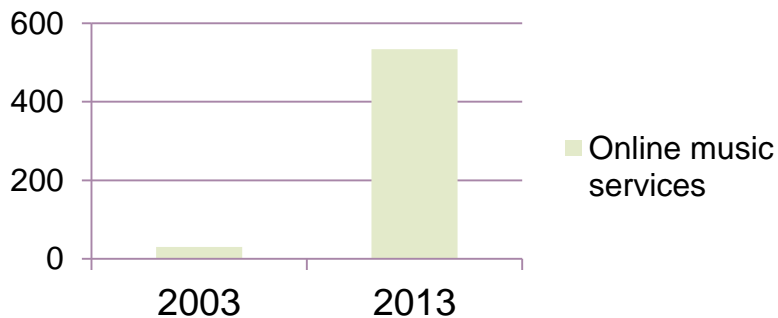
Audiovisual sector

→ **346** VOD film services

→ +/- **800** catch-up TV services in Europe

In 10 years the number of online content services has exploded

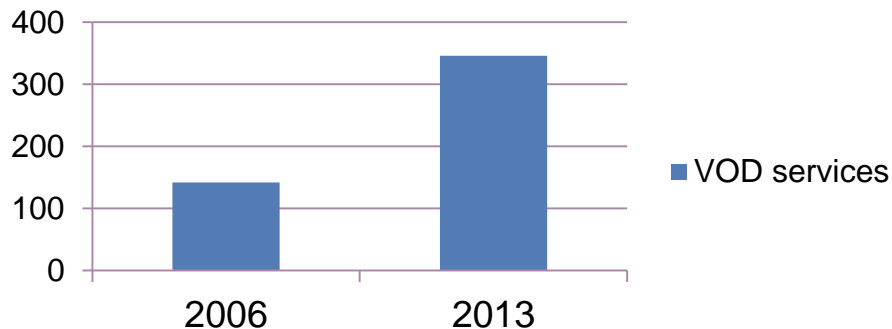
Online music services



2003	2013
30	534

Source: Enders Analysis and IFPI Online Music Report 2004

VOD services

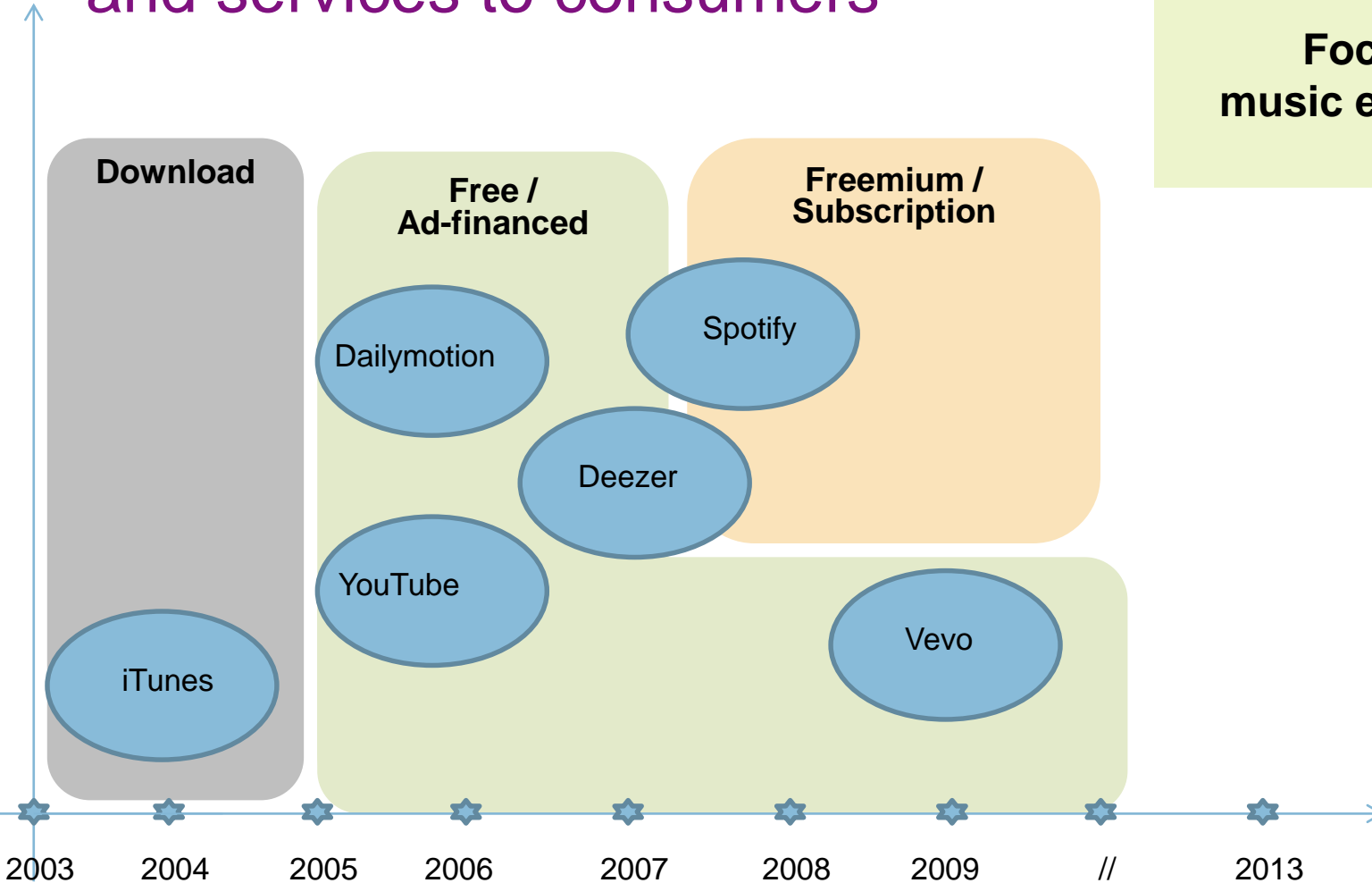


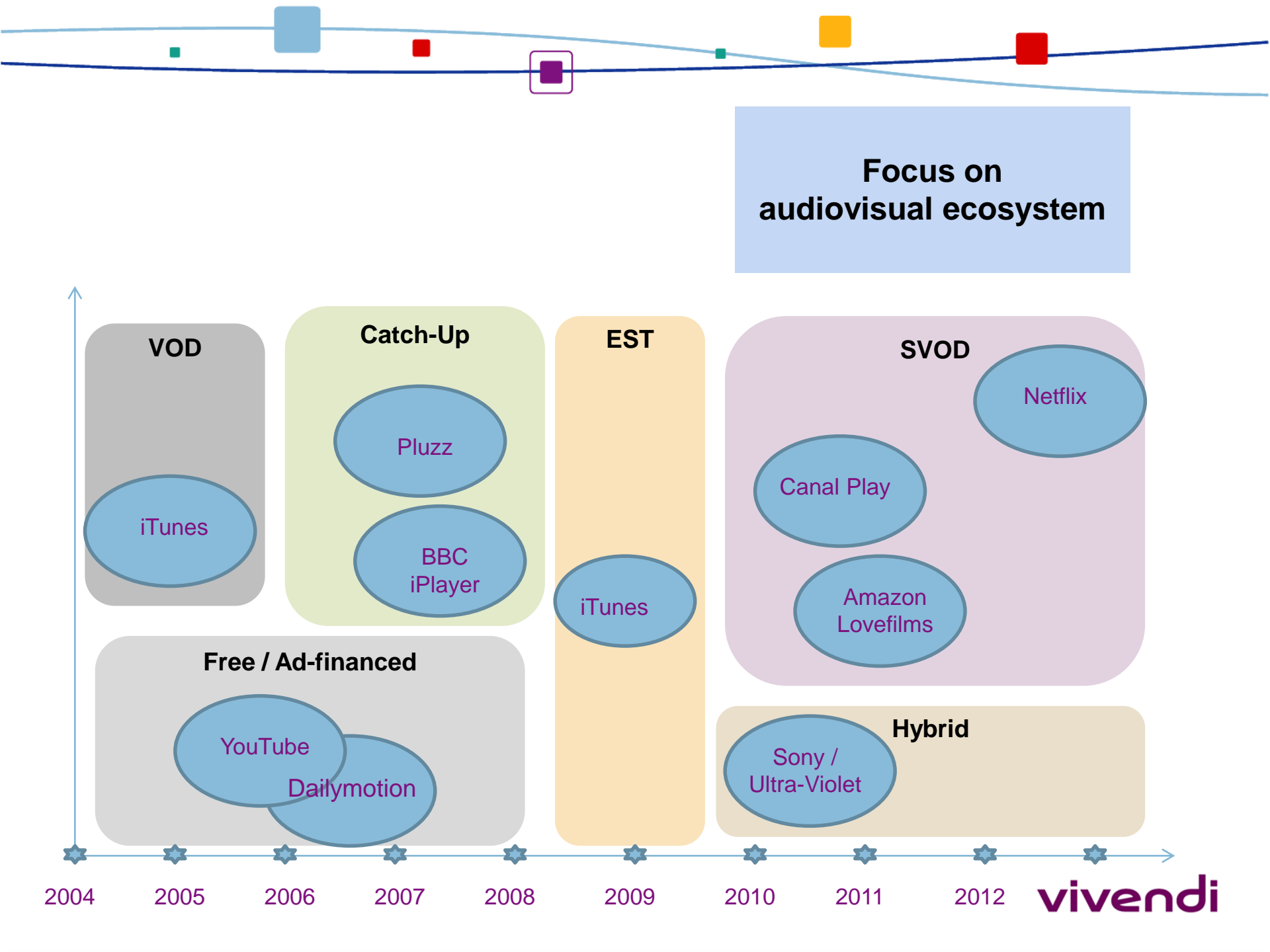
2006	2013
142	346

Source: European Audiovisual Observatory/MAVISE database

In 10 years, there has been a **wide diversification of business models** to bring a larger range of content and services to consumers

Focus on music ecosystem







What are the key enablers for these dynamics?

- 1. An efficient legal framework for licencing deals**
- 2. A clearer message on enforcement and piracy that stimulated investment on content creation and distribution**
- 3. The roll out of new generation networks in terrestrial and mobile to allow the development of non-linear/interactive services**



European copyright industries play a significant role in terms of economic and social weight

France

	Music (2011)	Audiovisual (2012)
Revenue	8.6 bn €	11.9 bn €
Jobs	240 874	245 000

UK

	Music (2012)	Audiovisual (2012)
Gross Value Added	5.6 bn €	12 bn €
Jobs	277 000	266 000

Sources: SACEM – EY, CNC 2012

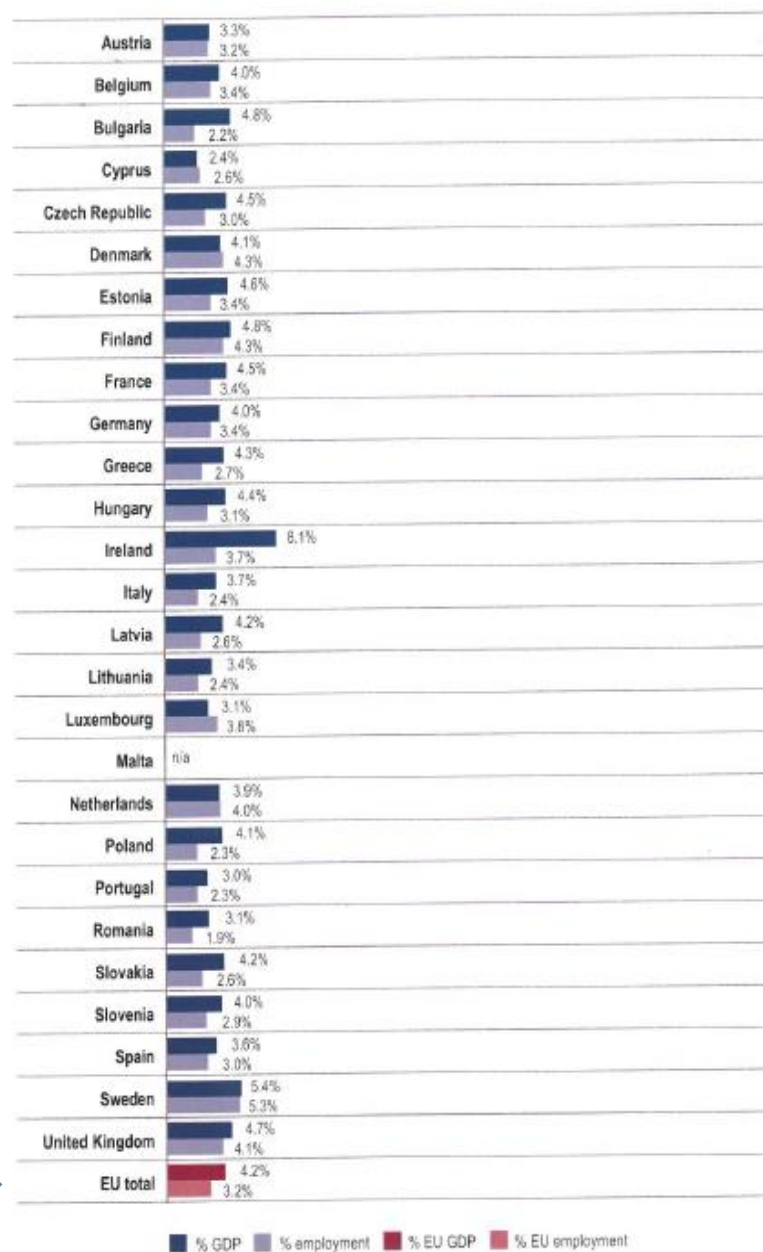
Sources : Creative Industries Economics Estimates 2014
UK Department for Culture, Media and Sports

Economic and social weight of copyright-intensive industries in Europe

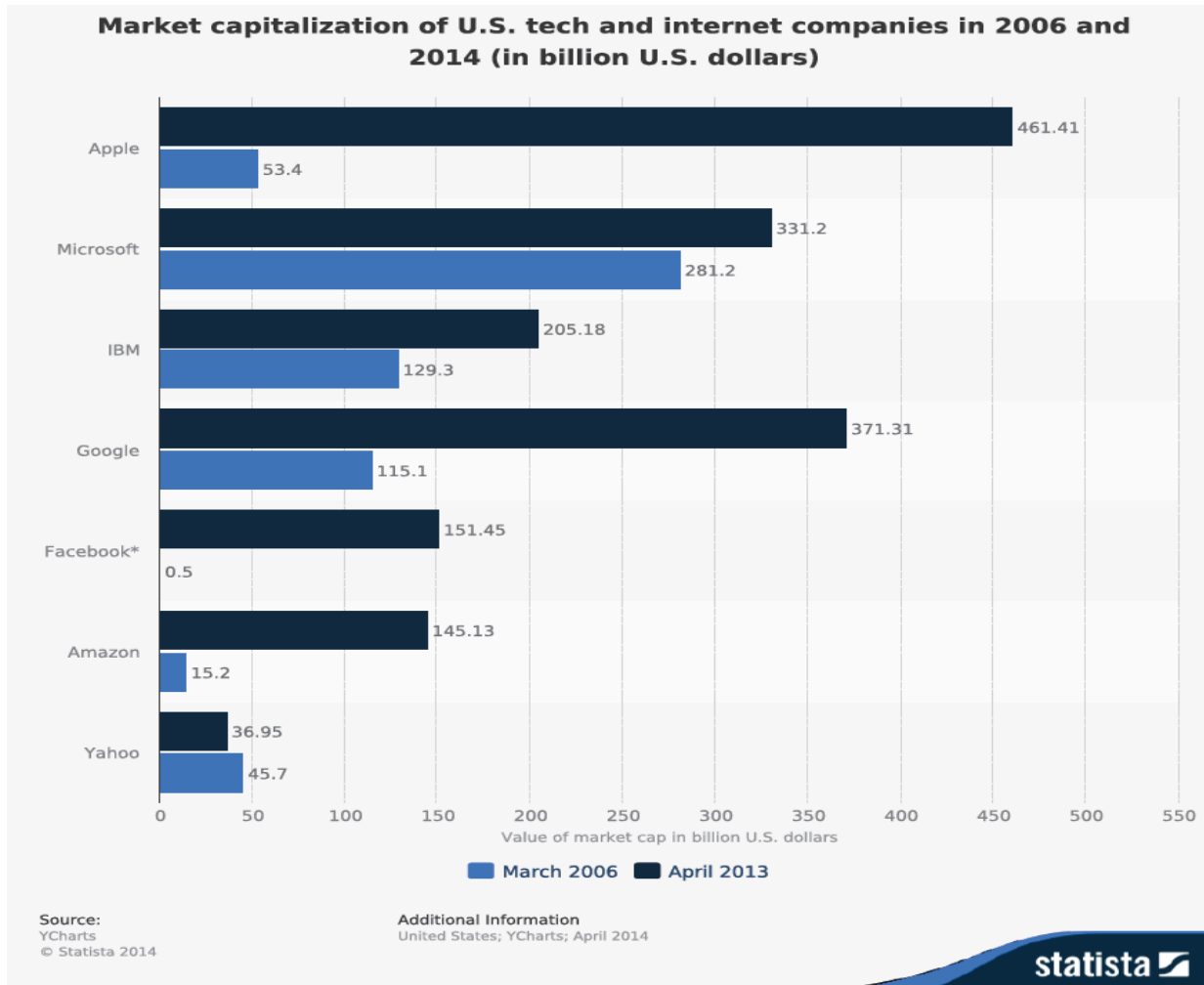
→ 4.2% of the EU GDP

→ 3.2% of EU employment

Figure 13: GDP and employment shares in copyright-intensive industries by Member State, 2010

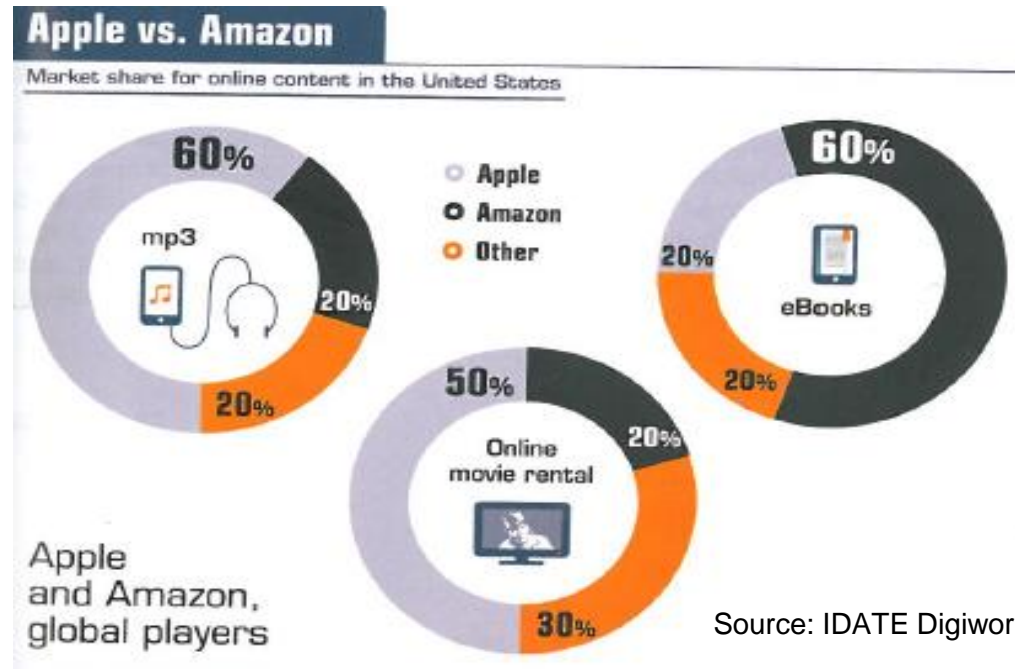


Over the same 10 years, US tech and internet players have reached a global scale with a strong presence in Europe



The distribution of online content is increasingly in the hands of global platforms

In the US



In Europe

- A challenging environment for non-US / local players
- Challenges for local repertoires and for diversity



A key challenge to address: how to reach a more balanced situation and allow EU players to be competitive in online content distribution

Clear positioning and measures from EU institutions against regulation and tax shopping

- Extend and apply « the country of destination » rules to tax and audiovisual policy

Asserting the stability of the EU copyright legal framework while addressing specific licensing issues through soft law

Pragmatic solutions should prevail on exceptions and limitations to preserve the key role of exclusive rights in the digital environment

- Ensure compliance with the 3 steps test
- Avoid unnecessary complexity regarding compensation schemes



Conclusion

Adopting a prudent approach on copyright is a major issue to preserve the full economic potential and the diversity of European content industries

A more determined approach on competition, regulation and tax issues is needed to support European players' future