



COMMERCIAL BROADCASTERS: CURRENT COPYRIGHT SYSTEM DELIVERS POSITIVE MARKET RESULTS

Brussels, 6 January 2010 – In a submission today to the European Commission concerning a Reflection Paper on a reform of the copyright system from October 2009, the Association of Commercial Television in Europe (ACT) stresses its opposition to some possible reforms flagged in the paper. While the Commission argues that reforms may be needed in order to respond to the development of new business models as well as to changing consumer demand, commercial broadcasters do not see the need for such a radical move.

Ross Biggam, Director General ACT, highlighted: "Our experience is that existing copyright regimes have proved quite adaptable to the new media environment. The current rights licensing system is based on long standing commercial practices, jurisprudence and international, European and national regulation. We do not regard the fact that some negotiations have broken down as anything other than a normal commercial reality and it certainly does not in itself justify a complete overhaul of the copyright framework. This is a matter for negotiation, not for legislation".

Commercial broadcasters represent one of the key players in the content industry as they are at the same time creators, investors and distributors of content, thus being both owners and mass users of copyright. Latest studies reveal the important role that cultural and creative sectors play within the European economy, generating a turnover of more than € 650 billion annually, employing more than 3% of the EU work force. But the cultural and creative industries comprise many different sectors including music, television, book or print businesses. The Reflection Paper looks in a broad sense at a reform of the copyright system without differentiating between the specific needs of each of these sectors or the many different categories of rights they require.

For the television industry, there are two main elements which need to be safeguarded in order to be able to maintain a sustainable level of investment in new content: the concept of exclusivity and the current system of release windows. Exclusivity enables broadcasters to show the content they produced or acquired on an exclusive basis, while release windows relate to films and the different platforms they are being sold to and then appear on, such as cinema, DVDs, pay-TV and free-to-air television. To put it simply – attractive content costs money. And the ACT believes that re-investment in all genres of content – including sports, professional journalism or original drama – should be encouraged. It is against this background that the ACT opposes the suggestion from the European Commission to introduce a European Copyright Title. When introducing such a Title, the Commission underestimates the difficulties and complications such a change would bring along.

Christian Hauptmann, Chairman ACT IPR Working Group & Deputy General Counsel RTL Group, stressed: "The future system for copyright should first and foremost ensure a sustainable environment for creativity and cultural diversity where creators of audiovisual content are rewarded for their works and rights holders can commercialise and protect their content in order to obtain a return on investment, which will be used to finance new content. Existing mechanisms such as release windows and exclusivity of content should be kept in

place as they represent the core of our business and enable us to continuously reinvest in content and services to satisfy consumer demand".

About the ACT:

The Association of Commercial Television in Europe (ACT) represents the interests of the commercial broadcasting sector in Europe. Formed in 1989, the ACT has thirty member companies active in 34 European countries. Our members operate several hundred free-to-air and pay-tv channels and distribute many more channels and new services. The ACT members encompass several business models: free-to-air broadcasters and pay-TV players, digital platform operators and multimedia groups. www.acte.be

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