



SERVING AUTHORS WORLDWIDE  
AU SERVICE DES AUTEURS DANS LE MONDE  
AL SERVICIO DE LOS AUTORES EN EL MUNDO

# THE ECONOMIC RELEVANCE OF COPYRIGHT.

**"Copyright in the Digital Age"**

**Budapest, April 4 and 5, 2017**

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# “Cultural Times” Study

- A full year project
- Prepared by EY
- First of its kind
- 120-Page Analysis of the economy of CCI worldwide
- Published in English, French, Spanish, Portuguese



[www.worldcreative.org](http://www.worldcreative.org)

# Agenda

- CISAC Overview
  - Who we are and what we do
- The study
  - Background: why we did it
  - Method: how we did it
  - Key findings
- The way forward
  - Conclusions
  - Importance of findings



# 1. CISAC OVERVIEW

# CISAC – Who We Are

- International Confederation of Societies of Authors and Composers
- Founded in 1926
- Non-governmental, not-for-profit organisation
- The leading worldwide network of authors' societies
  - 240 societies
  - 123 countries
  - Over 4 million creators
  - All artistic repertoires

# Repertoires Managed by Our Members

MUSIC



DRAMA



AUDIOVISUAL



LITERATURE



VISUAL ARTS



## What We Do – Key Goals

Promote the rights and protect the interests of creators

Promote and strengthen the system of collective management of authors' rights

Support the network of collective management organisations

# What We Stand For



CISAC President: Jean-Michel Jarre

"We need to protect the future of culture and creativity more than ever."

"Everyone has the right to the protection of the moral and material interests resulting from any scientific, literary or artistic production of which he is the author."

*Universal Declaration of Human Rights*

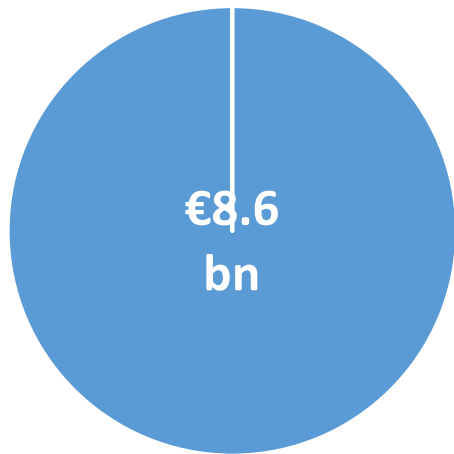


# Worldwide Presence

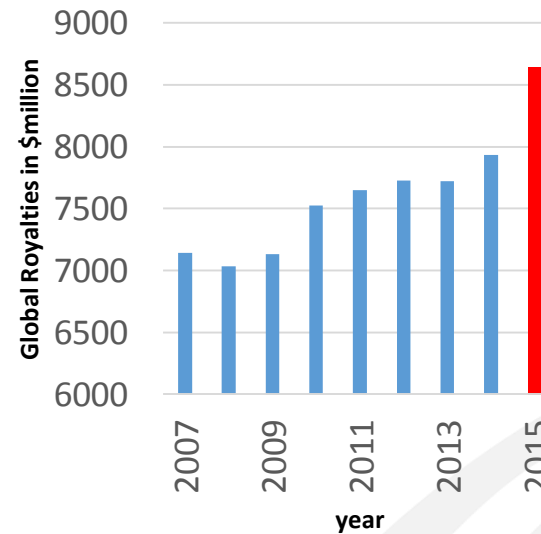


# Members' Global Royalties Collections

2015 Global Collections



26% growth over the decade





## 2. THE STUDY

# Why We Did It?

- In an era of “evidence-based policy” we want to provide the evidence
- Identified need to map the cultural and creative industries worldwide
- Absence of data
  - No sufficient data on the CCIs
  - Need to highlight the real value and contributions of CCIs to the local and global economies

# Why We Did It?

- Copyright – a hot topic
- On-going attacks on copyright
  - Powerful forces try to lower copyright protection
  - Creators' rights seen as a hindrance to innovation
- Digital dissemination of creative works
  - Proliferation of unlicensed use online
  - Abuse of “fair use”
  - Issue of the value gap/transfer of value

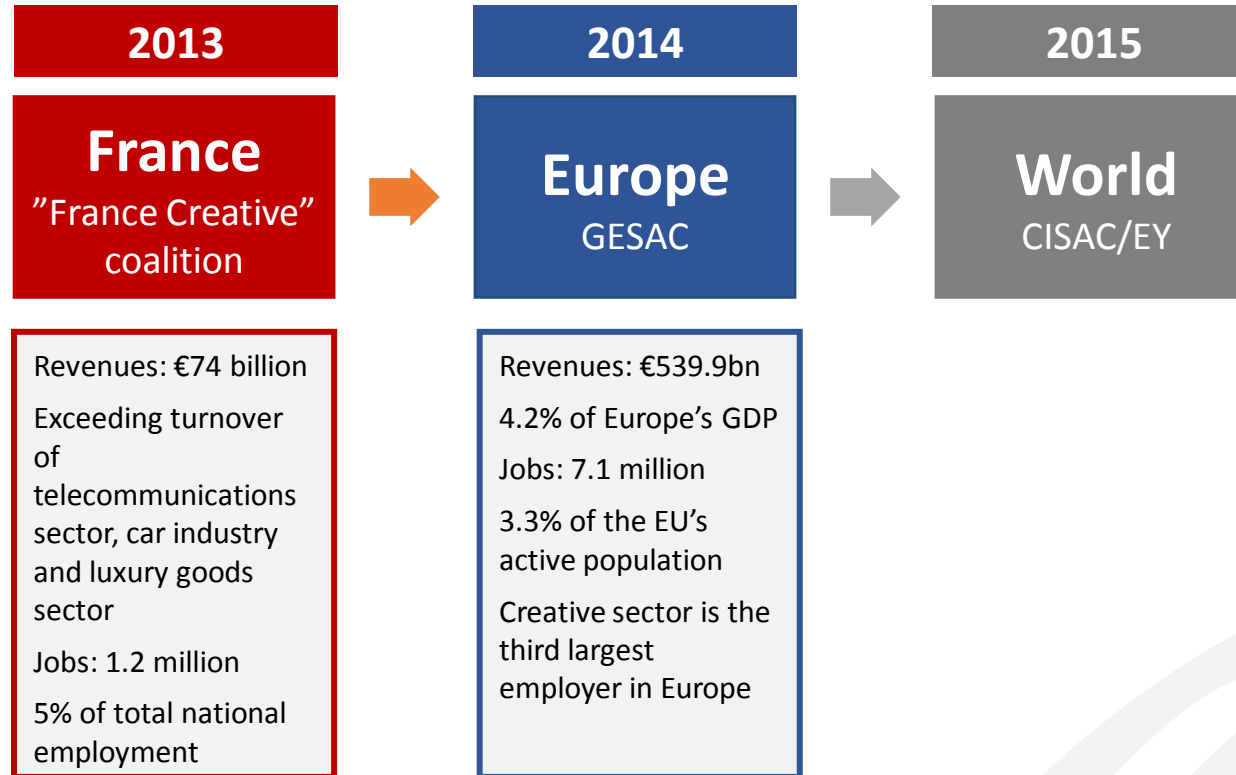
## What We Wanted to Achieve – Objective

- Convey to policy-makers that copyright-driven industries are not to be taken lightly
- Reinforce the need to have strong laws to protect creation
- Show a direct connection between copyright protection and economic development
- An eye opener
- Protecting creators = not just promoting culture but also protecting the economy

# The History



# The History





# Methodology

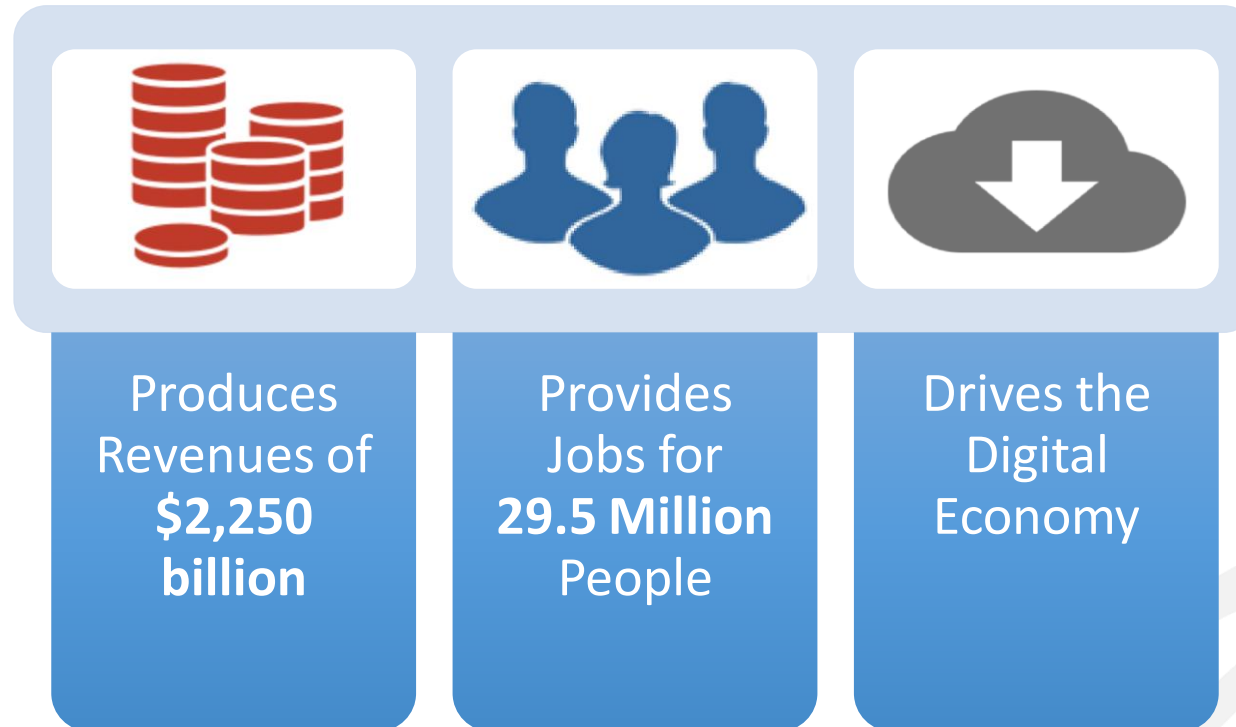
- Partnership with EY
  - Independent trusted source
  - Expertise in collecting and aggregating data
  - Global network
- Cover the whole range of CCIs
  - 11 sectors: visual arts, AV/cinema, press, media, literary, music, design, architecture, games, advertising ...
  - Make adjustments when needed to avoid double counting
- Measures economic value by:
  - Revenues (B2C; B2B)
  - Employment (number of people employed)

## Methodology (2)

- Data compiled by EY
- 150 experts interviewed in the world
- Knowledge partners
  - World Bank
  - WIPO
  - ICMP - International confederation of Music Publishers
  - IFRRO - International Federation of Reproduction Rights Organisations
- Sponsors
  - Globo
  - FCFA - Fonds Culturel Franco-Américain

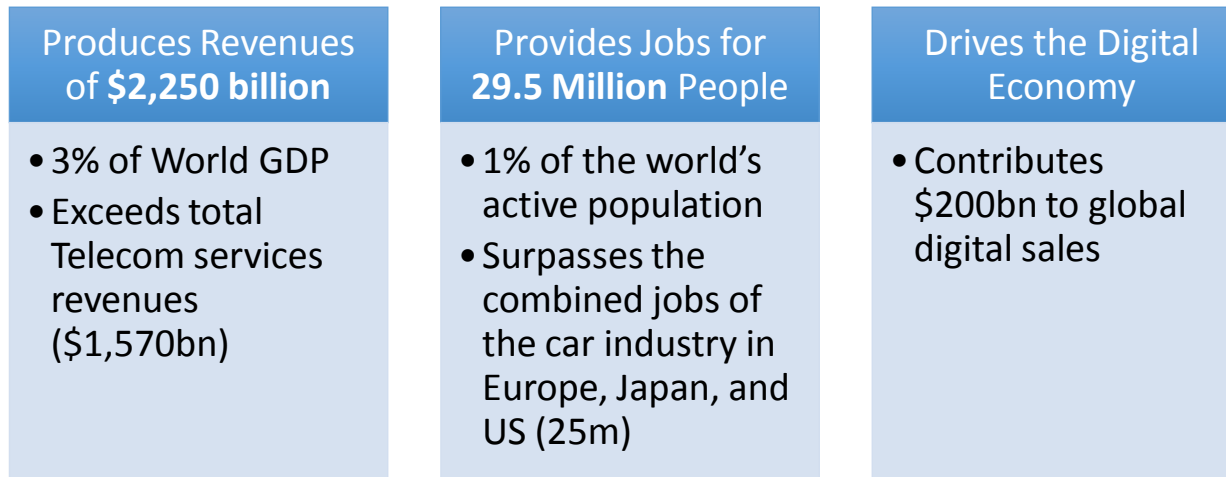
# Key Findings

## CCI is a Massive Contributor to the World Economy



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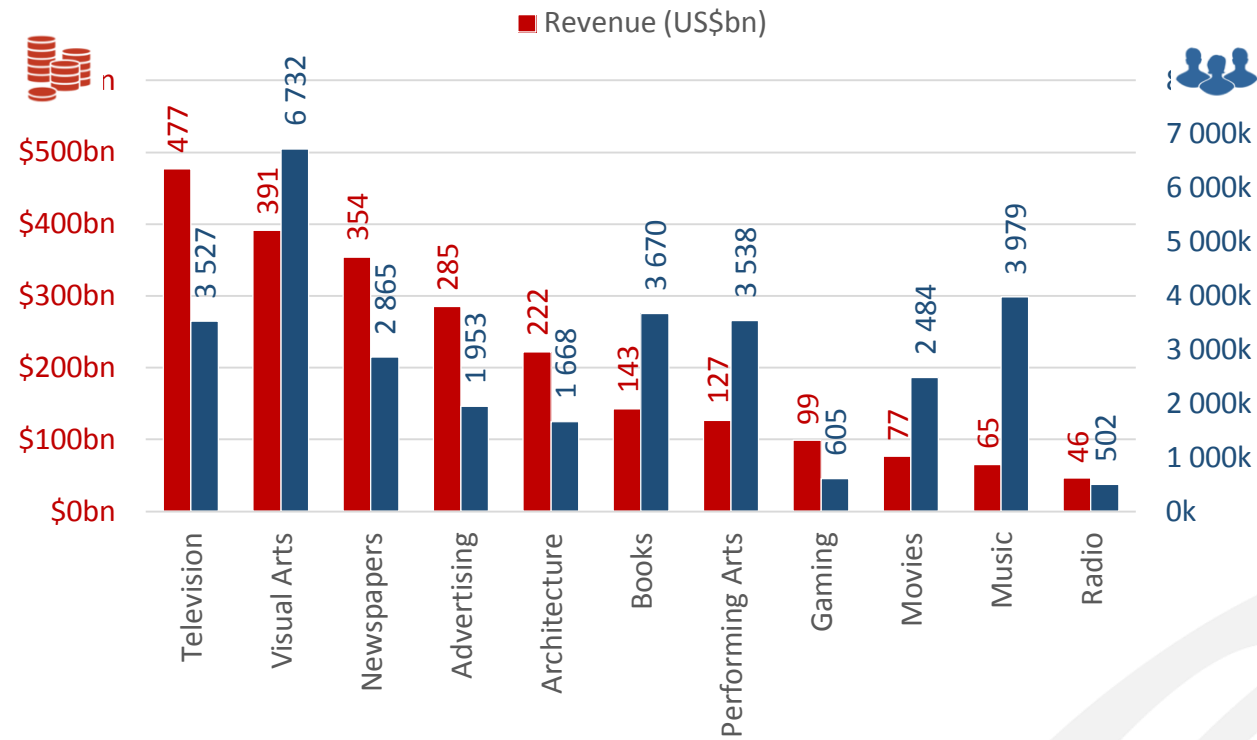
# The Importance of the CCIs



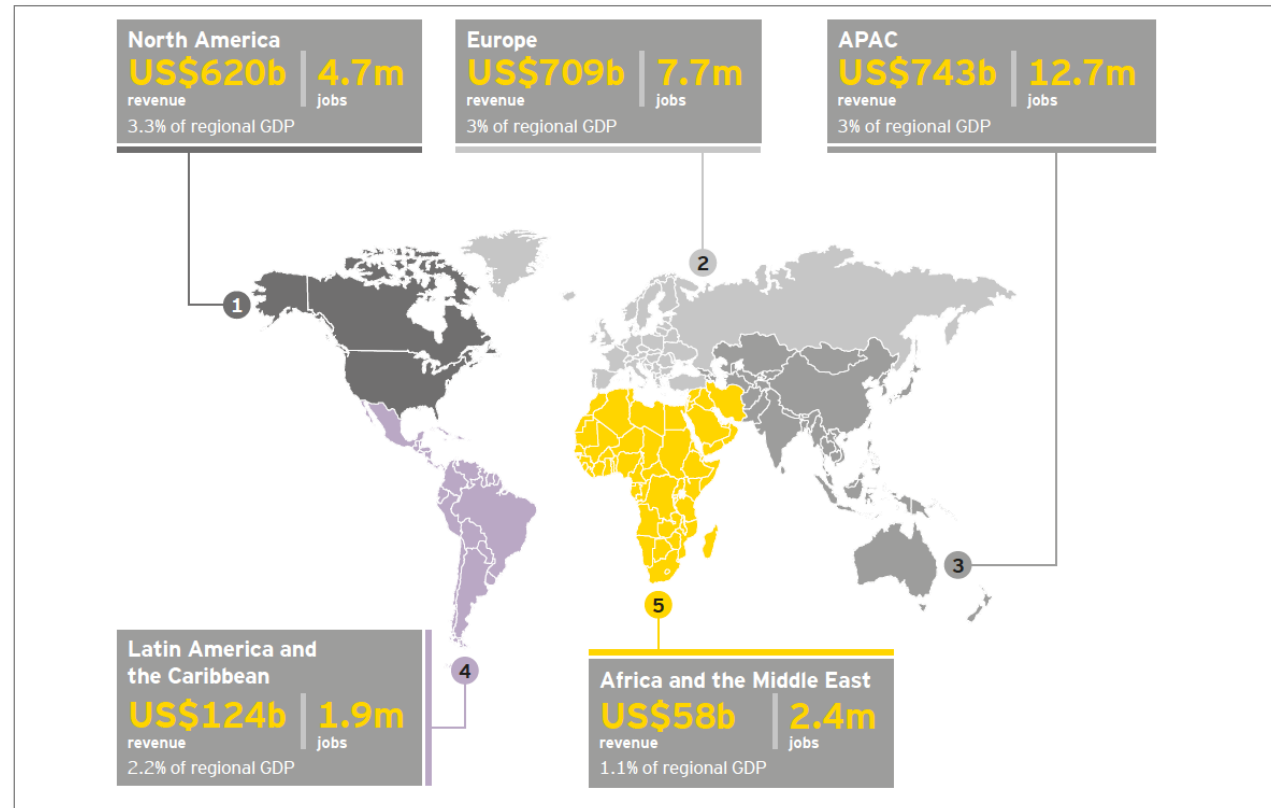
“Cultural and creative industries are **major drivers of the economies** of developed as well as developing countries. Indeed, they are among the most rapidly growing sectors worldwide. They influence income generation, job creation, and export earnings. They can forge a **better future for many countries** around the globe.”

*Irina Bokova, UNESCO Director General*

# The Study – Analysis Spans 11 Sectors



# The Study – Analysis Over 5 Regions



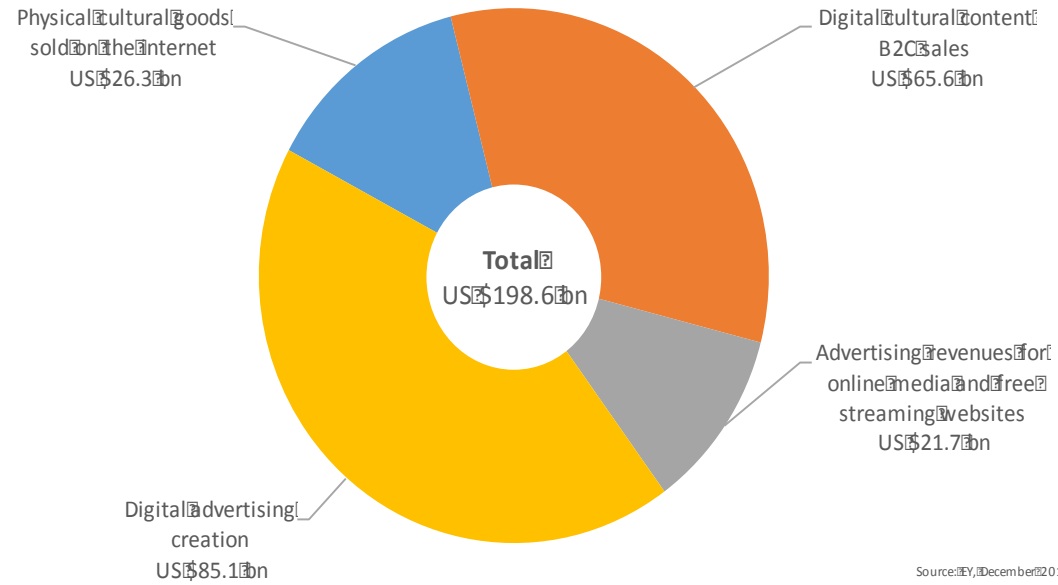
# The Digital Market and CCIs

- Creative content – ubiquitous in digital format
- Digital platforms depend on cultural content: they provide access to over 15 million music titles and 32 million books
- Cultural content drives sales of digital devices
- \$ 200 billion revenues



# The Digital Market and CCIs

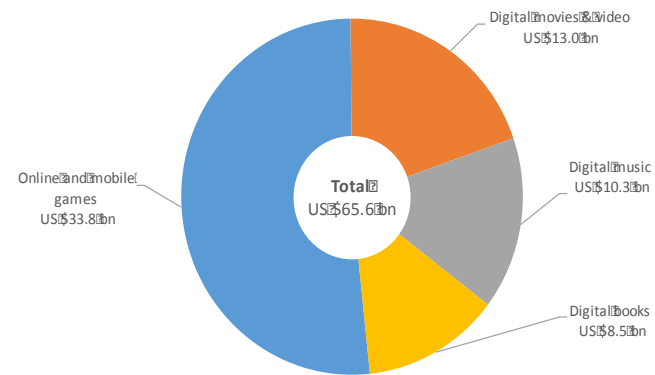
CCI Contribution to Digital Economy (US\$bn 2013)



Source: EY, December 2015

# The Digital Market and CCIs

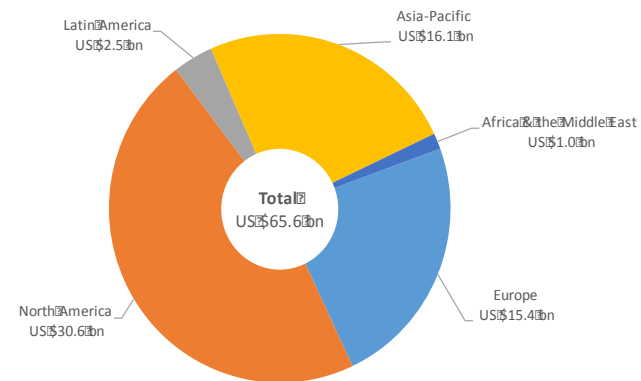
Digital Cultural Goods Sales by Type (US\$bn 2013)



Cultural content key driver on demand for high-bandwidth telecom services

North America on top: 20% books bought in digital form (3,8% in Europe)

Digital Cultural Goods Sales by Region (US\$bn 2013)



Source: EY, December 2015

## 3. IMPORTANCE OF FINDINGS

## Study Put the Spotlight on the CCIs

- Creative industries matter
- They provide jobs, revenues and local taxes
- They are contributors to the local economies
- They reflect the culture of each country or region
- Strong creative industries are usually the result of strong copyright protection

“This study confirms the powerful argument advocated by UNESCO of the contribution of the cultural and creative industries to **sustainable development**. The cultural and creative industries are major drivers of the economies of developed as well as developing countries.”

*Irina Bokova, UNESCO Director General*

# The Challenges (1)

- Creative industries are **fragile**
- **Strong legal frameworks** are needed
- **Invest more** in culture overall, especially at the educational level
- Create **more ways** for cultural and creative content **to travel the world**

## The Challenges (2)

- Necessity to provide creators with **fair remuneration**
- Need to address the **transfer of value** of value gap
  - Global collections of royalties by CISAC societies, on behalf of authors: €8,6bn (in 2015)
  - Collections from digital services: €626M. This is **7,2% of overall royalties collected.**
  - Recent EU Study (Roland Berger):
    - Total market value of ISP's: around €22billion.
    - Around 23% of this value, estimated to come from cultural content

Thank You