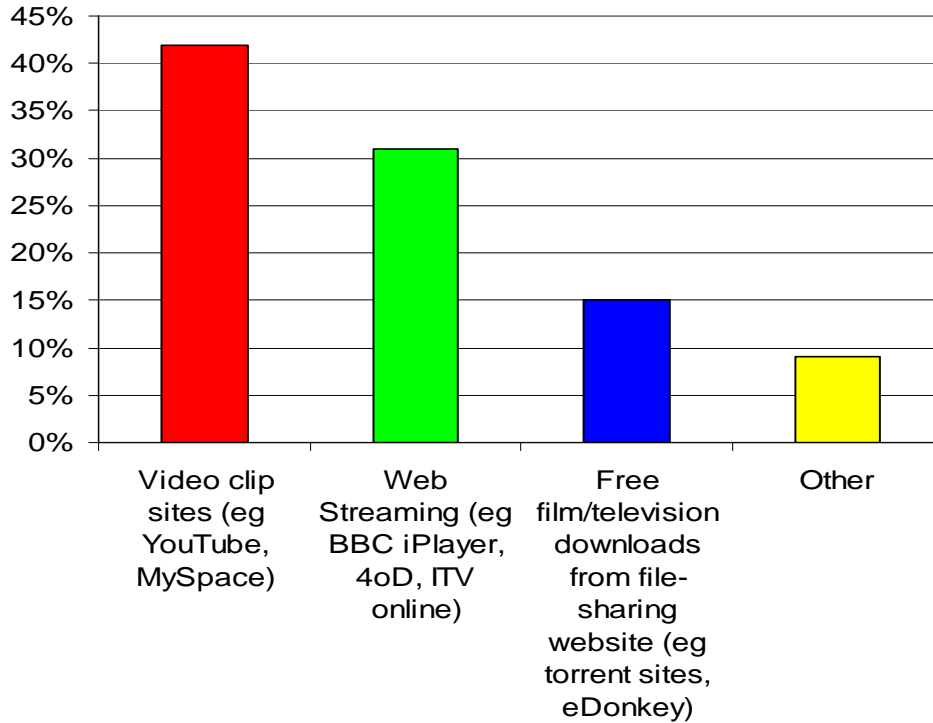


A Fair Approach for Creators

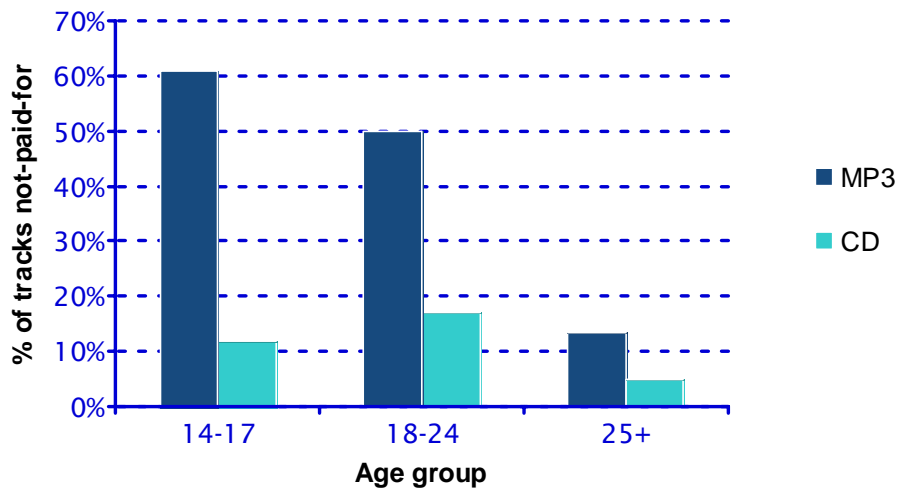
- The Gowers 'format shifting' proposal to provide for personal private copying of (copies of) works owned by an individual does not currently include any form of compensation for creators
- This directly contravenes EC Directive 2001/29/EC which says "*Member States should be allowed to provide for an exception or limitation to the reproduction right for certain types of reproduction of audio, visual and audio-visual material for private use, **accompanied by fair compensation.***"
- The demand for creativity in genres including music, spoken-word, film and television programmes, has driven demand for mp3 devices/iPods and other pocket-devices as well as online services provided by the ISPs
- Both manufacturers of these devices and the ISPs have benefited from illegal copying on a mass scale driving up their profit margins with no remuneration for creators
- To re-set the balance between the creators of cultural works and new technology providers, legislative provisions on format shifting should include compensation
- Low cost mechanisms currently exist to efficiently apportion payments using collective management systems; *the Authors' Licensing and Collecting Society is one of many UK collecting societies distributing fees to right-holders*
- The clarity and unity of our message is vital towards achieving a fair solution for creators

Tables

1. Audio/visual works: Online services used to access content (ALCS/Tickbox 2008 - Total surveyed 1223)

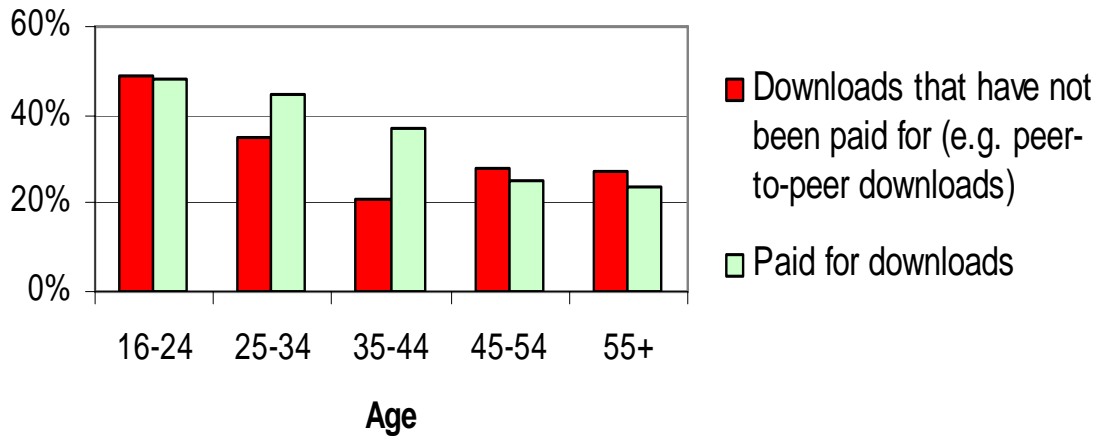


2. A lot of music; not a lot paid for: Percentage of music not paid for in the average personal music collection (BMR)



Average number of tracks per MP3 player: 1771
Average number of CDs per collection: 218

3. Percentage of paid for versus not paid for downloads
(ALCS/Tickbox 2008 - Total surveyed 1223)



4. Awareness of illegality does not deter people from copying – friend's CD to own MP3 (BMR)

