

## **MEDIA RELEASE**

*Brussels 23, April 2019*

**Issued by the European Composer and Songwriter Alliance (ECSA)**

### **Europe's songwriters and composers act in solidarity with their Greek creator colleagues and ask for action from the European Commission following unlawful intervention in the market by the Greek State.**

At the end of March, the European Composer and Songwriter Alliance (ECSA) took the unprecedented step of submitting a complaint to the European Commission's Competition Directorate General on behalf of all music creators in Europe and beyond. The complaint is to demonstrate their support of their embattled creator colleagues in Greece who are being prevented from accessing performance income from their music. The complaint is supported by the International Council of Creators of Music (CIAM)

The music creators are concerned about the damage being caused to the livelihoods of every music creator in Greece, in Europe and beyond – damage being enabled by the illegal and continuous intervention in the marketplace by the Greek State.

Every composer or songwriter has a personal right to choose the body that administers their royalties for broadcast and public performance. This freedom of choice is enshrined in EU law as well as in Greece's domestic law.

The administration companies they choose, in line with over 150 years of industry practice, are called Collective Management Organisations (CMOs). They are not-for-profit bodies run by management boards elected by the creators. A CMO works to the benefit of both music users (such as radio and tv stations, clubs, or music digital services) and consumers by providing a simple one-stop shop for the right to use music protected by copyright. The CMOs are regulated by both local and EU law to ensure good governance such as ethical and transparent operations and objective licensing practices for music users.

CMOs are regulated in Greece by the Hellenic Copyright Office (HCO) which, in accordance with EU regulations, is the authorised supervisory body of Greece's CMOs.

In May of 2018 the music CMO in Greece (AEPI) had its licence revoked following a scandal involving unpaid royalties and malfeasance by Board members. Autodia, an independent second CMO, was poised to step into the breach to ensure continuity for music creators' income administration. Since, the demise of the discredited AEPI, Autodia has moved to conclude a

network of international agreements to manage music rights in the Greek marketplace on behalf of both Greece's and the world's music creators. (See Notes to Editors)

However, the almost immediate response of the Greek State to AEPI's demise was to seize control of the management of music rights, and pass them to a newly created division of the HCO, that is within the CMO supervisory body itself. In effect, the supervisor of CMOs is supervising itself.

Further the HCO unlawfully applied over €2 million in State funds to benefit the new division, in contravention of EU law about state enterprise funding.

Now the new division within HCO is preventing Autodia from accessing any music rights data and Greek music creators are being barred from access to their own information about their own works and income.

The effect is to prevent music creators from exercising their right to join an independent CMO of their choice and to provide an undue competitive advantage to the CMO effectively run by the Greek State. And the unlawful interference in the marketplace at the request of the Greek State is having the effect of preventing important funds from reaching music creators worldwide.

In expressing concern for colleagues, the ECSA President, Alfons Karabuda said:

*"The current difficulties in Greece affect first and foremost Greek music authors but also all music creators. We are concerned by the current difficulties in Greece and their detrimental impact on all music creators. Europe's music creators are the bedrock of a vital, diverse and important economic and cultural sector. They deserve an efficient management of their works and the protections of the law just as Greek taxpayers deserve to be confident their tax revenues are being applied in a sound, legitimate and transparent manner."*

CIAM President, Eddie Schwartz added:

*"These actions affect us all. As creators we stand with our colleagues to ensure that going forward, creators have a sound and lawful administrative system in Greece on which they can rely for their livelihoods. Any music creator should affiliate with the Collective Management Organization of their choice. No CMO should ever be prevented from responding to the needs of the creators they exist to protect. This is why we are objecting to the situation in Greece."*

## Notes to Editors

A CMO works to the benefit of both music users (such as radio and tv stations, clubs, or music digital services) and consumers by providing a one-stop shop for the right to use music protected by copyright. The CMOs are regulated by both local and EU law to ensure good governance such as transparent operation and objective licence practices with music users.

An EU music author's relationship with their local CMO is governed by a personal assignment of their rights (rights of communication to the public, making available and public performance), globally and exclusively. Music publishers that have contracts with authors do not control these rights, enjoying instead only a right to share in revenue from the rights' exercise as a matter of contract. Two major publishers, Warner Chappell and Universal Music Publishing, have unilaterally opted to move the HCO division – and we have been given to understand - are in receipt of funds that the Greek State unlawfully made available. Authors with contracts with Warner Chappell and Universal Music Publishing have not been permitted to exercise their free choice of CMO as provided in EU law. And by such a move Universal Music Publishing and Warner Chappell have induced the breach of the pre-existing personal contracts the music authors had in place with no attempt at novation or consent from the creator that was a party to the original CMO assignment agreement.

By a network of international agreements, called Reciprocal Agreements, each country's CMO passes their catalogue over for local administration in exchange for revenue. AUTODIA has concluded reciprocal agreements with major foreign CMOs such as PRS (UK), GEMA (Germany), SIAE (Italy), ACUM (Israel), ARTISJUS (Hungary), ZAIKS (Poland), SOKOJ (Czech Republic), SABAM (Belgium), SAZAS (Slovenia), LATGA (Lithuania), STIM (Sweden), STEF (Iceland), BUMA STEMRA (Netherlands), TEOSTO (Finland), TONO (Norway), OSA (Czech Republic) and MUSICAUTOR (Bulgaria), AKM / AUSTROMECHANA (Austria), SPAUTORES (Portugal). AUTODIA is properly constituted, is governed by statutes that conform to the EU CMO laws requiring transparency, ethical management standards and objective and publicly available licensing criteria. It has been accepted as a bona fide member of the global CMO body in Paris, CISAC.

## About ECSA

ECSA represents over 50,000 professional composers and songwriters in 26 European countries. With 56 member organizations across Europe, the Alliance speaks for the interests of music creators of art & classical music (contemporary), film & audiovisual music, as well as popular music. The main objective of the alliance is to defend and promote the rights of authors of music at the national, European and international level by any legal means. ECSA advocates for equitable commercial conditions for composers and songwriters and strives to improve social and economic development of music creation in Europe.

Web: [www.composeralliance.org](http://www.composeralliance.org) / EU Transparency Register ID: 71423433087-91

## **About CIAM**

CIAM, the International Council of Creators of Music, is the recognised global representative body for the world's music authors, speaking on behalf of over 500,000 songwriters, lyricists and composers worldwide. Founded in 1966 to protect the rights and cultural aspirations of music creators, CIAM focuses on the key issues directly concerning the legal and moral rights of composers, songwriters and lyricists. It promotes their professional, economic and legal interests and serves as a forum for cooperation, education, policy formulation and networking. Working with its five regional Partner Alliances, CIAM's global reach enables the Council to advocate for the rights and incomes of music creators across five continents. In Mexico in November 2018, CIAM held its 52nd Annual Congress where the world's music creators once again came together to share information about their respective domestic legal and policy developments and to formulate strategies for the betterment of those whose craft has enriched the lives of millions over the centuries.

<http://www.ciamcreators.org/>