



Screen Producers Ireland

Response to

the consultation entitled

“Copyright & Innovation – A Consultation Paper”

for the

Department of Jobs, Enterprise & Innovation

Dublin 2012

Name: Screen Producers Ireland

Screen Producers Ireland (SPI) is the national representative organisation for over 140 independent film, television and animation production companies in Ireland active in all genres from feature film, documentary, TV Drama and animation to factual, entertainment, lifestyle, sports, young people's and children's programming.

SPI promotes the commercial interests of our members with the relevant state, semi-state and private bodies on a broad range of issues that are key to the success of the sector.

SPI links in to a network of international producer representative associations in Europe and the US and is a member of the European Co-Ordination of Independent Producers (CEPI).

Of the six categories into which the Paper classified the first round of submissions, which one (if any) best describes you?

Rights -holders.

SPI represents the interests of Irish film producers, Irish television producers and Irish animation producers.

(1) Is our broad focus upon the economic and technological aspects of entrepreneurship and innovation the right one for this Review?

While SPI acknowledges the need to review legislation on an ongoing basis, we are concerned at the focus of this review to look specifically at Copyright as a barrier to innovation. Certain industries, including film in particular have suffered enormous losses in recent years due to technological developments and specifically the advantage that piracy has gained through these technological developments. Consequently, it is perceived by many of the members of SPI that the Review in the context of barriers to innovation appears to implicitly support practices by entities that continue to have devastating consequences for their industry.

Therefore SPI have concerns about pre dispositions by virtue of the focus of the Review.

In addition, an important point to be made is that there appears to be little reference or credit given to the creators and funders of copyright being innovators themselves.

(2) Is there sufficient clarity about the basic principles of Irish copyright law in CRRA and EUCD?

We believe there is sufficient clarity about the basic principles of Irish copyright law in CRRA & EUCD.

(3) Should any amendments to CRRA arising out of this Review be included in a single piece of legislation consolidating all of the post-2000 amendments to CRRA?

Yes, we believe any amendments to CRRA arising out of this Review should be included in a single piece of legislation consolidating all of the post 2000 amendments to CRRA.

(4) Is the classification of the submissions into six categories – (i) rights-holders; (ii) collection societies; (iii) intermediaries; (iv) users; (v) entrepreneurs; and (vi) heritage institutions – appropriate?

We believe they are appropriate.

(5) In particular, is this classification unnecessarily over-inclusive, or is there another category or interest where copyright and innovation intersect?

No, we don't believe so.

(6) What is the proper balance to be struck between the categories from the perspective of encouraging innovation?

We believe current IP law already provides the balance necessary and as it currently exists is not a barrier to innovation.

(7) Should a Copyright Council of Ireland (Council) be established?

SPI believes the establishment of a Copyright Council of Ireland (if properly constituted and funded) would be a positive development.

(8) If so, should it be an entirely private entity, or should it be recognized in some way by the State, or should it be a public body?

We believe the Copyright Council should be a public body.

(9) Should its subscribing membership be rights-holders and collecting societies; or should it be more broadly-based, extending to the full Irish copyright community?

We believe the Irish Copyright council subscribing membership should include rights holders and collecting societies only.

Why should a body whose terms of reference should also include the protection of copyright include members from representatives in whose interest it may be to undermine the value of copyright? We believe if the Copyright Council requires additional information from the broader copyright community in order to inform their decisions, it should be possible to co-opt independent members should they choose to do so.

(10) What should the composition of its Board be?

We believe the Board should contain a number of representatives drawn from rights holders, their representatives, collection societies, legal representatives and appropriate representatives from the cultural and heritage sectors. We believe an independent Chair person is also preferable.

(11) What should its principal objects and its primary functions be?

We believe the principal functions of the Copyright Council of Ireland should be the maintenance and promotion of copyright in Ireland. As part of that brief, it should include an educational and research brief. Educational from the public perspective and research from the perspective of keeping the Government well informed on all of the relevant developments at European level and beyond.

(12) How should it be funded?

We believe the Copyright Council should be funded by the state.

(13) Should the Council include the establishment of an Irish Digital Copyright Exchange (Exchange)?

We understand there is a European Draft Directive due on Collective Licensing which may include reference to Digital Copyright. It is likely that the establishment of an Irish Digital Copyright Exchange will be determined by the contents of this Directive. We believe it should be the job of the Copyright Council to stay informed on all relevant information relating to copyright including such Directives. Until the Directive is published, it is difficult to answer this question definitively.

(14) What other practical and legislative changes are necessary to Irish copyright licensing under CRRA?

SPI understands that dispute referrals to the Controller's office can be a very slow and costly process. This is unsatisfactory from the perspective of rights holders and users and gives collective licensing a bad name. Changes should be implemented to address this fact.

(15) Should the Council include the establishment of a Copyright Alternative Dispute Resolution Service (ADR Service)?

While we would support the establishment of a Copyright Alternative Dispute Resolution Service (ADR Service) we do not believe the Council should include an ADR Service. We believe this function can only be equitably carried out by an independent office. We fail to see how this service could be included in the remit of an Irish Copyright Council. Please also refer to our answer at Question 9) above. Should an ADR service be included in the remit of an Irish Copyright Council, the composition of the subscribers to such a Council becomes critical. Should the Council comprise only rights holders and their representatives, the users will fail to use the ADR because it will not be viewed as impartial. Should the Council contain subscribers from the entire Irish copyright landscape, it will be unsatisfactory as rights holders will have to argue their case against those whose interest in the outcome will be prejudiced and therefore conflicted.

For these reasons, we do not believe housing an ADR Service within a proposed Irish Copyright Council is advisable.

(16) How much of this Council/Exchange/ADR Service architecture should be legislatively prescribed?

We believe the Copyright Council should be a statutory body. Legislation already exists into which an ADR Service could be prescribed.

(17) Given the wide range of intellectual property functions exercised by the Controller, should that office be renamed, and what should the powers of that office be?

It is our view that copyright is of such importance to the Irish economy that it would be preferable to have a designated office dealing with copyright only, rather than the current situation where the Controller is housed within the Trademark and Patents office.

(18) Should the statutory license in section 38 CRRA be amended to cover categories of work other than “sound recordings”?

(19) Furthermore, what should the inter-relationship between the Controller and the ADR Service be?

Should an ADR Service be implemented, we believe such a mechanism should be housed in the office of the Controller and should report to the Controller.

(20) Should there be a small claims copyright (or even intellectual property) jurisdiction in the District Court, and what legislative changes would be necessary to bring this about?

While we believe there is merit in this idea, we believe this may prove unnecessary if an ADR existed within the Controller’s office.

(21) Should there be a specialist copyright (or even intellectual property) jurisdiction in the Circuit Court, and what legislative changes would be necessary to bring this about?

See answer to Question (20) above.

(22) Whatever the answer to the previous questions, what reforms are necessary to encourage routine copyright claims to be brought in the Circuit Court, and what legislative changes would be necessary to bring this about?

(23) Is there any economic evidence that the basic structures of current Irish copyright law fail to get the balance right as between the monopoly afforded to rights-holders and the public interest in diversity?

We do not believe any such economic evidence exists.

(24) Is there, in particular, any evidence on how current Irish copyright law in fact encourages or discourages innovation and on how changes could encourage innovation?

We do not believe the current Irish copyright law encourages or discourages innovation. The lack of application of such law however does discourage investment which naturally leads to a lack of innovation. It has proved increasingly difficult over the last 10 to 15 years to recover investment in creativity due to flouting of the laws governing copyright. Businesses, including film, music and book publishing that traditionally enjoyed healthy levels of investment and therefore healthy levels of creativity, have substantially declined in recent years. SPI believes this has had a knock on effect of both reducing and discouraging creative innovation.

(25) Is there, more specifically, any evidence that copyright law either over- or under-compensates rights holders, especially in the digital environment, thereby stifling innovation either way?

See response to Question (24).

(26) From the perspective of innovation, should the definition of “originality” be amended to protect only works which are the author’s own intellectual creation?

No, SPI does not believe the definition should be amended in this way. Anything that would preclude companies from participating in protecting their intellectual copyright would be a barrier to innovation.

(27) Should the sound track accompanying a film be treated as part of that film?

No. We do not believe the sound track accompanying a film should be treated as part of that film. It is a separate copyright work that can, in some jurisdictions, attract its own copyright royalty. In addition the sound track can often be an important way to secure separate funding on the part of the producer. Any diminution of this right would be a barrier to innovation.

(28) Should section 24(1) CRRA be amended to remove an unintended perpetual copyright in certain unpublished works?

Yes.

(29) Should the definition of “broadcast” in section 2 CRRA (as amended by section 183(a) of the Broadcasting Act, 2009) be amended to become platform-neutral?

SPI believes it may be advantageous to clarify the definition to include simultaneous broadcasts, similar to the UK definition. We do not believe it should include on demand services which may be accessible on different platforms. These should continue to be a separate right.

(30) Are any other changes necessary to make CRRA platform-neutral, medium-neutral or technology-neutral?

If the amendment mentioned at 29) above is made, we do not believe any other changes would be necessary at this time.

(31) Should sections 103 and 251 CRRA be retained in their current form, confined only to cable operators in the strict sense, extended to web-based streaming services, or amended in some other way?

We believe they should be confined to cable operators in the strict sense.

(32) Is there any evidence that it is necessary to modify remedies (such as by extending criminal sanctions or graduating civil sanctions) to support innovation?

SPI believes that it is currently extremely difficult, if not impossible to remedy breaches of copyright on the internet. This in itself provides for a serious barrier to innovation due to the fact that content owners are not being properly recompensed for the exploitation of their work. This will continue to lead to lack of investment and the incumbent difficulties for businesses as mentioned in our answer to Question 1) above. Therefore we believe there is a need at a European level to modify remedies in this regard. While we are aware of the objections to ACTA and its referral to a higher court, we support the initiative.

(33) Is there any evidence that strengthening the provisions relating to technological protection measures and rights management information would have a net beneficial effect on innovation?

While it is easy to be critical of the various collective rights management structures that exist in different jurisdictions, significant improvements have been made to CRM in the recent past. There is no perfect system and we believe strengthening the ability of rights holders and or their representatives to collect from new technological outputs will have a significant benefit to innovation and investment.

(34) How can infringements of copyright in photographs be prevented in the first place and properly remedied if they occur?

(35) Should the special position for photographs in section 51(2) CRRA be retained?

(36) If so, should a similar exemption for photographs be provided for in any new copyright exceptions which might be introduced into Irish law on foot of the present Review?

(37) Is it to Ireland's economic advantage that it does not have a system of private copying levies; and, if not, should such a system be introduced?

SPI believes rights holders are entitled to compensation for the use of their work, including private copying. While the practical implementation of private copying levies is now somewhat outdated given the technological advances over the past ten years, we do believe in the principal. So while we acknowledge that it may not be practical at this point to implement a scheme based on existing models, we do believe the principal should be addressed and recompense received.

(38) If the copyright community does not establish a Council, or if it is not to be in a position to resolve issues relating to copyright licensing and collecting societies, what other practical mechanisms might resolve those issues?

(39) Are there any issues relating to copyright licensing and collecting societies which were not addressed in chapter 2 but which can be resolved by amendments to CRRA?

(40) Has the case for the caching, hosting and conduit immunities been strengthened or weakened by technological advances, including in particular the emerging architecture of the mobile internet?

We do not believe the case for immunities has been strengthened or weakened by technological advances. The practical implementation for all of these has advanced significantly in a short space of time. In our view, this is not a good enough reason for immunities and significantly undermines the basic principal of copyright law.

(41) If there is a case for such immunities, has technology developed to such an extent that other technological processes should qualify for similar immunities?

No.

(42) If there is a case for such immunities, to which remedies should the immunities provide defenses?

None.

(43) Does the definition of intermediary (a provider of a "relevant service", as defined in section 2 of the E-Commerce Regulations, and referring to a definition in an earlier - 1998 - Directive) capture the full range of modern intermediaries, and is it sufficiently technology-neutral to be reasonably future-proof?

We believe, given the rapid change in the technological environment and the speed with which it is constantly changing, it may not be possible to adequately future proof the definition.

(44) If the answers to these questions should lead to possible amendments to the CRRA, are they required or precluded by the Ecommerce Directive, EUCD, or some other applicable principle of EU law?

(45) Is there any good reason why a link to copyright material, of itself and without more, ought to constitute either a primary or a secondary infringement of that copyright?

When the link provides the infringement, we believe so.

(46) if not, should Irish law provide that linking, of itself and without more, does not constitute an infringement of copyright?

We do not believe such a provision should be made in Irish law. To do so, would send a strong message from Ireland that businesses which depend on copyright protection (including software and other computer orientated industries that Ireland is currently attempting to attract) will not be met with a supportive infrastructure with respect to its copyright law. To do so, we believe, could be very damaging to Ireland's image abroad and is counter to the policy of positioning Ireland as a hub for technological innovation.

(47) If so, should it be a stand-alone provision, or should it be immunity alongside the existing conduit, caching and hosting exceptions?

See answer to question (46) above.

(48) Does copyright law inhibit the work of innovation intermediaries?

We do not believe any such evidence exists.

(49) Should there be an exception for photographs in any revised and expanded section 51(2) CRRA?

(50) Is there a case that there would be a net gain in innovation if the marshalling of news and other content were not to be an infringement of copyright?

We do not believe so and we do not believe evidence exists to support this view.

(51) If so, what is the best blend of responses to the questions raised about the compatibility of marshalling of content with copyright law?

- (52) In particular, should Irish law provide for a specific marshalling immunity alongside the existing conduit, caching and hosting exceptions?
- (53) If so, what exactly should it provide?
- (54) Does copyright law pose other problems for intermediaries' emerging business models?

We do not believe so. Recompense for copyright should be budgeted for in line with all other projected costs for emerging business models.

- (55) Should the definition of "fair dealing" in section 50(4) and section 221(2) CRRA be amended by replacing "means" with "includes"?

No, SPI does not believe the definition should be amended as suggested. We believe this will lead to legal uncertainty.

- (56) Should all of the exceptions permitted by EUCD be incorporated into Irish law, including:

- (a) Reproduction on paper for private use
- (b) Reproduction for format-shifting or backing-up for private use
- (c) Reproduction or communication for the sole purpose of illustration for education, teaching or scientific research
- (d) Reproduction for persons with disabilities
- (e) Reporting administrative, parliamentary or judicial proceedings
- (f) Religious or official celebrations
- (g) Advertising the exhibition or sale of artistic works,
- (h) Demonstration or repair of equipment, and
- (i) Fair dealing for the purposes of caricature, parody, pastiche, or satire, or for similar purposes?

- (57) Should CRRA references to "research and private study" be extended to include "education"?

We do not believe it should.

- (58) Should the education exceptions extend to the (a) provision of distance learning, and the (b) utilization of work available through the internet?

No, we do not believe so. We do not agree that copyright owners should be treated any different to other suppliers.

(59) Should broadcasters be able to permit archival recordings to be done by other persons acting on the broadcasters' behalf?

Yes, subject to the broadcasters having the appropriate permissions to begin with.

(60) Should the exceptions for social institutions be repealed, retained or extended?

We believe such exceptions should be repealed.

(61) Should there be a specific exception for non-commercial user generated content?

We do not believe such a specific exception should be provided for.

(62) Should section 2(10) be strengthened by rendering void any term or condition in an agreement which purports to prohibit or restrict than an act permitted by CRRA?

(63) When, if ever, is innovation a sufficient public policy to require that works that might otherwise be protected by copyright nevertheless not achieve copyright protection at all so as to be readily available to the public?

Never. We do not believe there is any innovation argument which should be allowed to deny a legitimate copyright holder their right to be protected under copyright law.

(64) When, if ever, is innovation a sufficient public policy to require that there should nevertheless be exceptions for certain uses, even where works are protected by copyright?

See answer to Question (63) above.

(65) When, if ever, is innovation a sufficient public policy to require that copyright-protected works should be made available by means of compulsory licenses?

(66) Should there be a specialist copyright exception for innovation? In particular, are there examples of business models which could take advantage of any such exception?

We do not believe such an exception is justifiable. Neither do we believe evidence for such an exception exists.

(67) Should there be an exception permitting format-shifting for archival purposes for heritage institutions?

We would not object to such an exception.

- (68) Should the occasions in section 66(1) CRRA on which a librarian or archivist may make a copy of a work in the permanent collection without infringing any copyright in the work be extended to permit publication of such a copy in a catalogue relating to an exhibition?
- (69) Should the fair dealing provisions of CRRA be extended to permit the display on dedicated terminals of reproductions of works in the permanent collection of a heritage institution?
- (70) Should the fair dealing provisions of CRRA be extended to permit the brief and limited display of a reproduction of an artistic work during a public lecture in a heritage institution?
- (71) How, if at all, should legal deposit obligations extend to digital publications?
- (72) Would the good offices of a Copyright Council be sufficient to move towards a resolution of the difficult orphan works issue, or is there something more that can and should be done from a legislative perspective?

SPI understands a European Directive on Orphan Works is due for publication imminently. It is difficult to have a view on this until this Directive is published.

- (73) Should there be a presumption that where a physical work is donated or bequeathed, the copyright in that work passes with the physical work itself, unless the contrary is expressly stated?

No, we do not believe such a presumption should exist. We believe this will cause legal uncertainty and confusion particularly as the definition of a physical work may change with technological developments. It could also serve to undermine the principle of copyright as it currently exists.

- (74) Should there be exceptions to enable scientific and other researchers to use modern text and data mining techniques?
- (75) Should there be related exceptions to permit computer security assessments?
- (76) What is the experience of other countries in relation to the fair use doctrine and how is it relevant to Ireland?

We believe fair use is a fundamentally flawed concept that undermines the clarity of the existing legislation. It creates significant confusion in the market place and is the cause of a significant number of disputes and legal costs in the US, where it does exist. There is no evidence provided that introducing fair use will remove any barriers to innovation.

(77) (a) What EU law considerations apply?

(b) In particular, should the Irish government join with either the UK government or the Dutch government in lobbying at EU level, either for a new EUCD exception for non-consumptive uses or more broadly for a fair use doctrine?

See answer to Question (76) above.

(78) How, if at all, can fair use, either in the abstract or in the draft section 48A CRRA above, encourage innovation?

(79) How, in fact, does fair use, either in the abstract or in the draft section 48A CRRA above, either subvert the interests of rights holders or accommodate the interests of other parties?

(80) How, in fact, does fair use, either in the abstract or in the draft section 48A CRRA above, amount either to an unclear (and thus unwelcome) doctrine or to a flexible (and thus welcome) one?

(81) Is the ground covered by the fair use doctrine, either in the abstract or in the draft section 48A CRRA above, sufficiently covered by the CRRA and EUCD exceptions?

(82) What empirical evidence and general policy considerations are there in favour of or against the introduction of a fair use doctrine?

(83) (a) If a fair use doctrine is to be introduced into Irish law, what drafting considerations should underpin it?

(b) In particular, how appropriate is the draft section 48A tentatively outlined above?

(84) Should the post-2000 amendments to CRRA which are still in force be consolidated into our proposed Bill?

Yes.

(85) Should sections 15 to 18 of the European Communities (Directive 2000/31/EC) Regulations, 2003 be consolidated into our proposed Bill (at least insofar as they cover copyright matters)?

(86) What have we missed?

We would be delighted to receive any responses to any of these questions. It is not necessary for any submission to seek to answer all of them.