

Can Russia stop the collapse of whole copyright system?



Russian State Library, Moscow, 25th May 2011



COPYRIGHT COLLAPSE

INFORMAL CONTENT MARKET

COPYRIGHTED ORPHANS

IDENTIFICATION OF CREATIVITY

“CULTURE FLAT-RATE”



COPYRIGHT COLLAPSE



It is necessary to find Russian solution to copyright collapse problem

The old principles of intellectual property regulation are not working anymore

1

That is fraught with the collapse of the entire intellectual property rights system

2

We should offer new solutions to the international community

3

Russia will advance its proposals

4

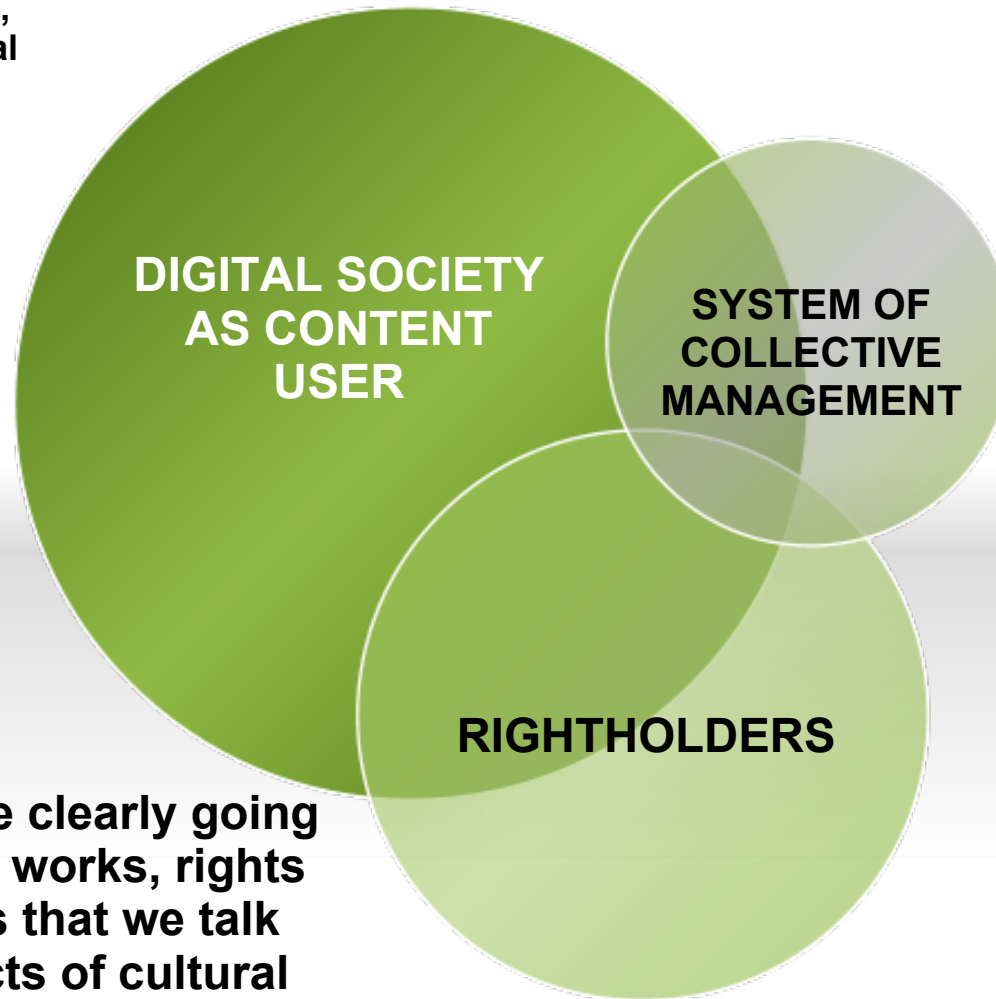
[Opening address by Dmitry Medvedev to the World Economic Forum in Davos January 26, 2011](#)

WE NEED MORE SIMPLICITY IN COPYRIGHT. COPYRIGHT IS COMPLICATED AND COMPLEX.

We risk losing our audience and public support if we cannot make understanding of the system more accessible.



Francis Gurry,
Director General,
World Intellectual
Property
Organization



[Blue Sky Conference:
Future Directions in
Copyright Law \(Sydney,
February 25, 2011\)](#)

Future generations are clearly going to regard many of the works, rights and business agents that we talk about as cute artefacts of cultural history.

Theses of Francis Gurry's speech:

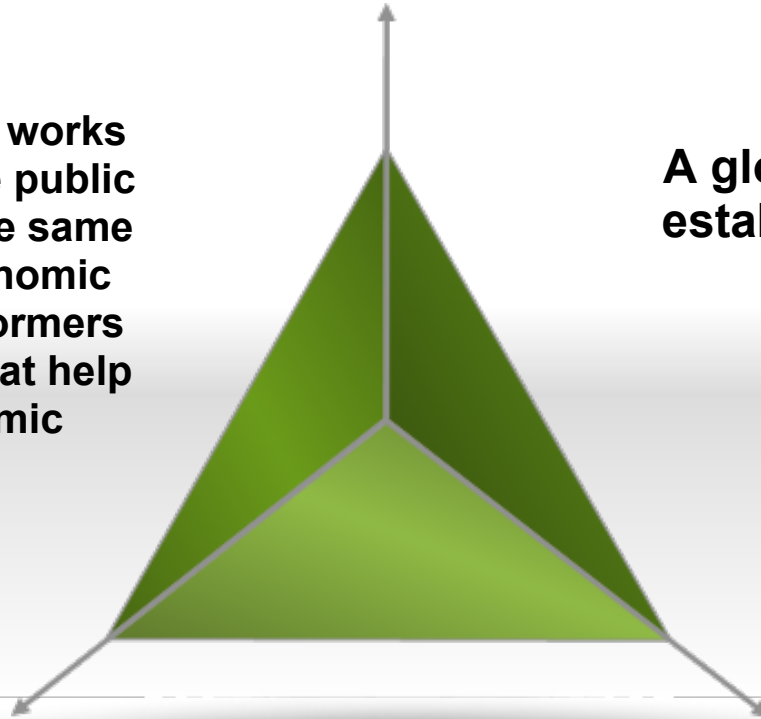
Copyright should be about promoting cultural dynamism, not preserving or promoting vested business interests.

How can society make cultural works available to the widest possible public at affordable prices while, at the same time, assuring a dignified economic existence to creators and performers and the business associates that help them to navigate the economic system?

A global repertoire database – establishing the infrastructure for global licensing.

The purpose of copyright is not to influence technological possibilities for creative expression or the business models built on those technological possibilities.

Let us dare to say that the infrastructure of the world of collective management is out-dated.



The modernisation of collective management, and especially the role of authors' and composers' societies, is a key project of the Commission



Michel Barnier Commissioner Internal Market and Services Copyright in the digital era

[Theses of Michel Barnier's speech. MidemNet in Cannes 22 January 2011](#)

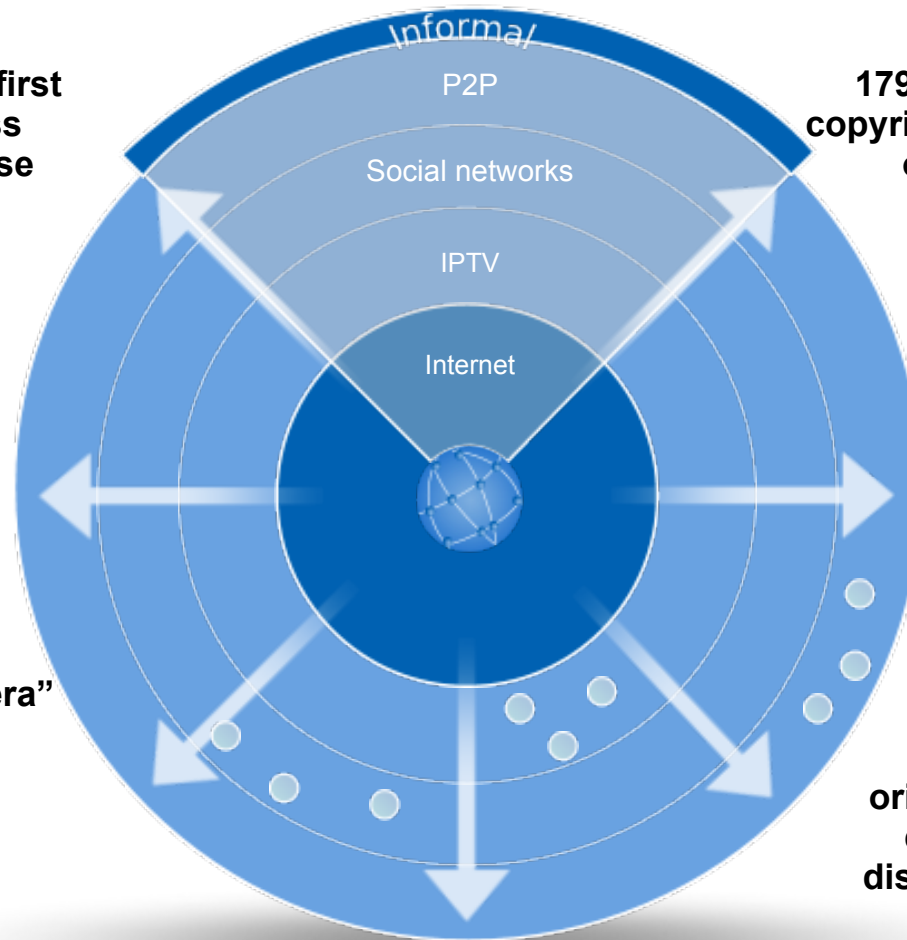
- **But despite some progress, collective management remains too complex.**
- **The modernisation of collective management will require a legislative instrument on collective management, which will be proposed in 2011.**
- **We will facilitate the move towards more fluid and simpler collective management structures, for the benefit of citizens, creators and innovative services; towards rules of governance ensuring more transparency in the relationship between collecting societies, users and rightholders.**
- **Authors' and composers' societies should allow the use of a large catalogue of musical works by commercial players – audiovisual media, online download or streaming services.**



INFORMAL CONTENT MARKET

INFORMAL CONTENT MARKET – OBJECTIVE REALITY OF XXI CENTURY

1450. Gutenberg press – the first analogue technology for mass reproducing works. It gave rise to formal analogue market of works (content).



1790. The British Statute of Anne, first copyright statute: legislative response to origin of formal analogue market of works (content).

1950-1970. “Tape recorders era” (audio/video) – origin of informal analogue market of works and records (content). Henceforward EACH CONSUMER COULD PRIVATELY copy, reproduce and distribute content.

1969 – present time. Internet – has originated digital technology of mass creating, copying, reproducing and distribution of any types of content in non-material form and loss-less. Origin of worldwide INFORMAL MARKET OF DIGITAL CONTENT.



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Orphan works – it is “20th century black hole” on the internet.



Neelie Kroes Vice-President of the European Commission responsible for the Digital Agenda

[Theses of speech. Brussels, 10 March 2011](#)

- **The British library estimates that 40% of works in their collections are orphan and over 1 million hours of TV programmes from BBC archives are not used due to the impossibility or the disproportionate cost to trace rightholders – and the risk of a subsequent legal action is simply too great for this material to be made available online.**
- **Perspectives for an orphan works Directive which should ensure that orphan works can be digitised. [Final draft will be submitted in 2011]**
- **Indeed, rights information systems which enable swift, accurate and comprehensive searches for rights and rightholders are critical in this process. By ensuring transparency on rights and recording works identified as orphans or out-of-distribution, they ensure we can avoid costly duplication of searches.**

Russian society still does not know anything about accredited CMO's reports on orphan works.



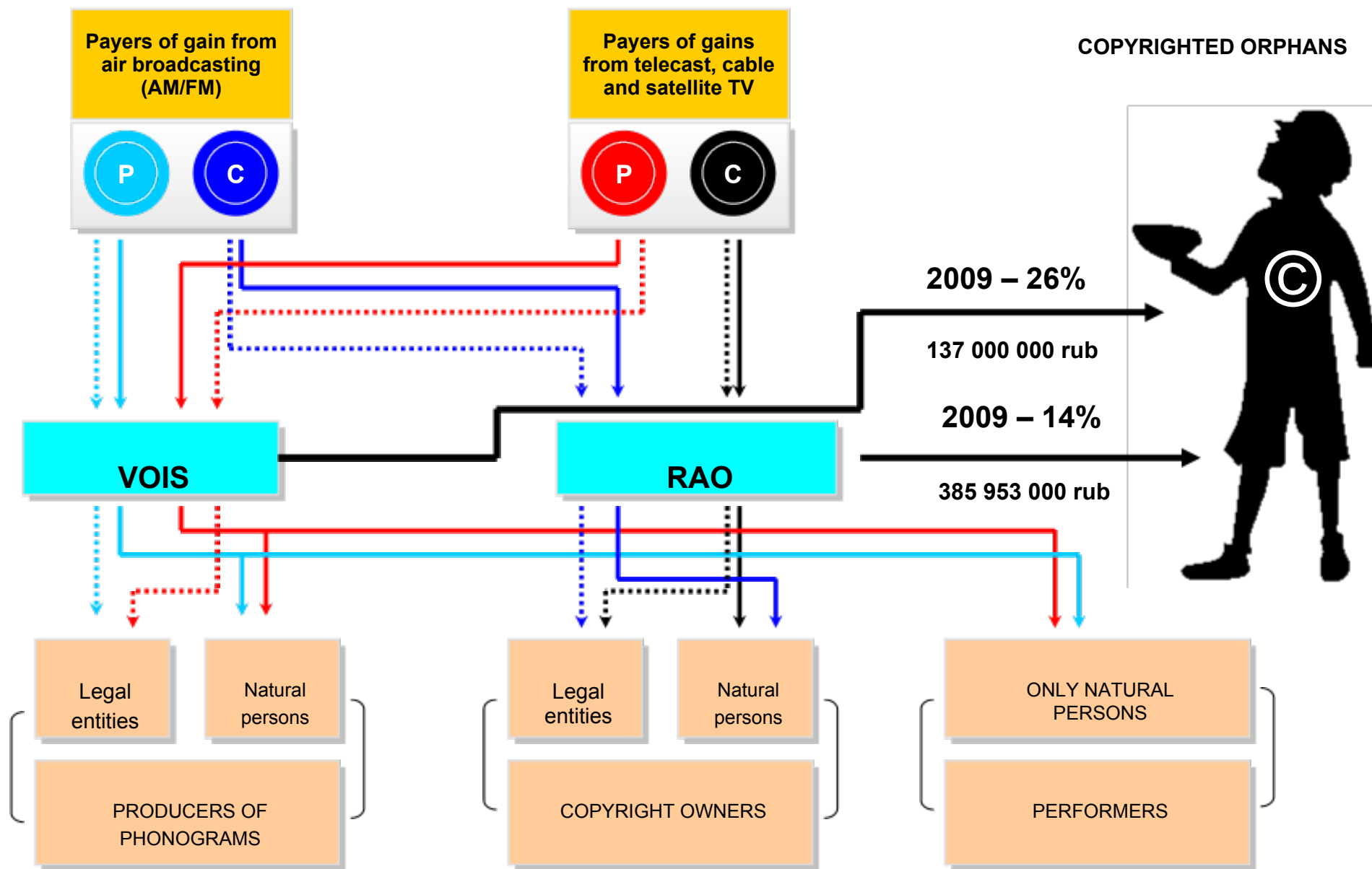
New reporting form prescribed by Rosohrancultura for accredited CMOs

([Order # 182 dated 15 October 2010](#))



5.6. Total remuneration sum wasn't paid in reporting period by accredited CMO
5.7. Indication of reasons caused non-payment of remuneration in reporting period and measures to trace rightholders entitled to receive remuneration undertaken by accredited CMO in reporting period.

PECUNIARY GAIN FLOWS OF COPYRIGHT AND NEIGHBOURING RIGHTS OWNERS FROM ALL TYPES OF BROADCASTING IN OFF-LINE



ANNOTATION:

- P – Neighbouring rights
- C – Copyright

- Intermediaries

- Real payees

- Gain flows without VAT

- Gain flows with VAT

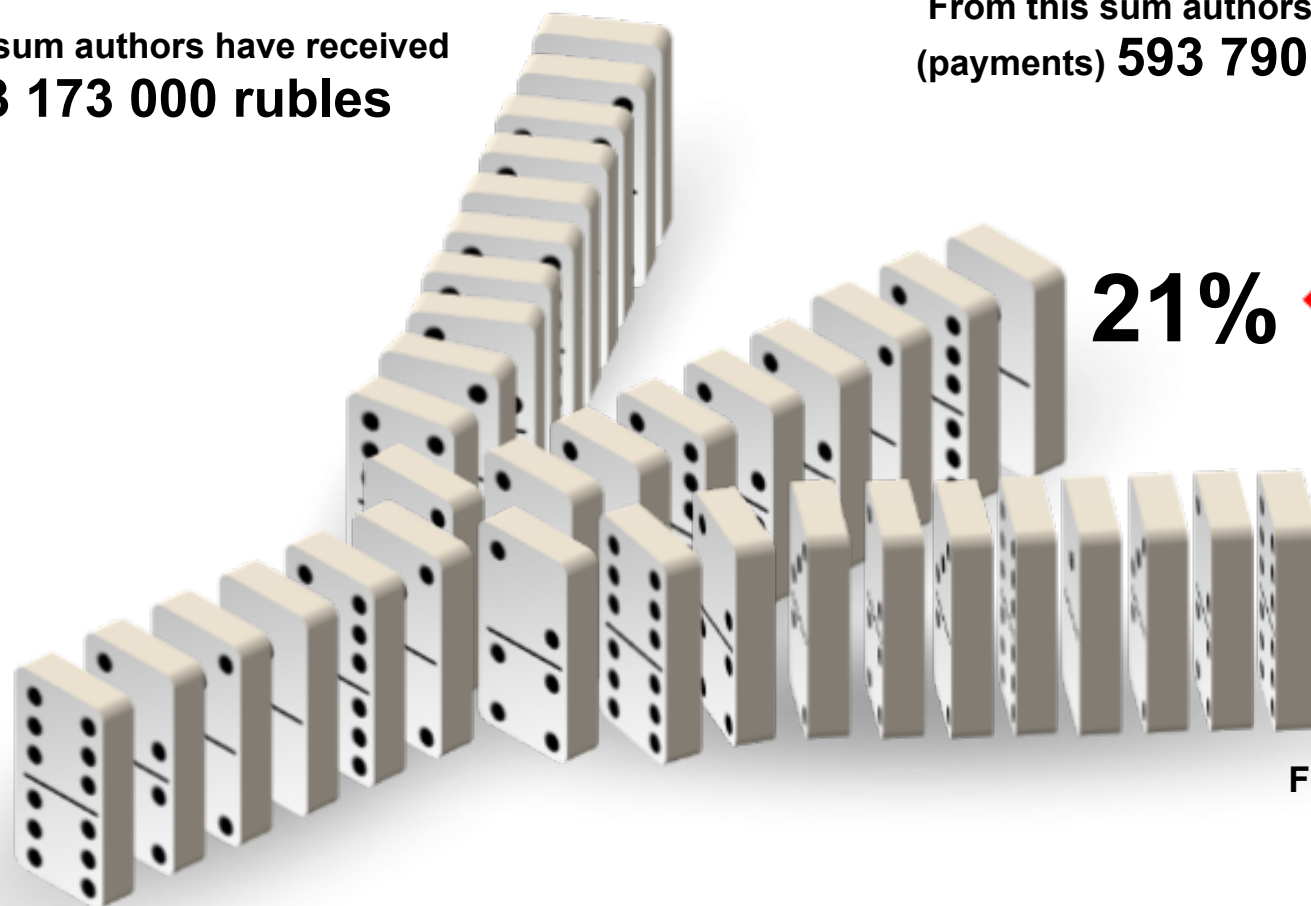
In **2009** authors* from each collected ruble have received “in hands”
58 kopecks

RAO has accumulated on behalf of and for authors
2 777 547 000 rubles (sum). **(100%)**

58%

From this sum authors have received
1 593 173 000 rubles

From this sum authors have paid RAO
(payments) **593 790 000 rubles**



21%

35%

14%

**COPYRIGHTED
ORPHANS?**

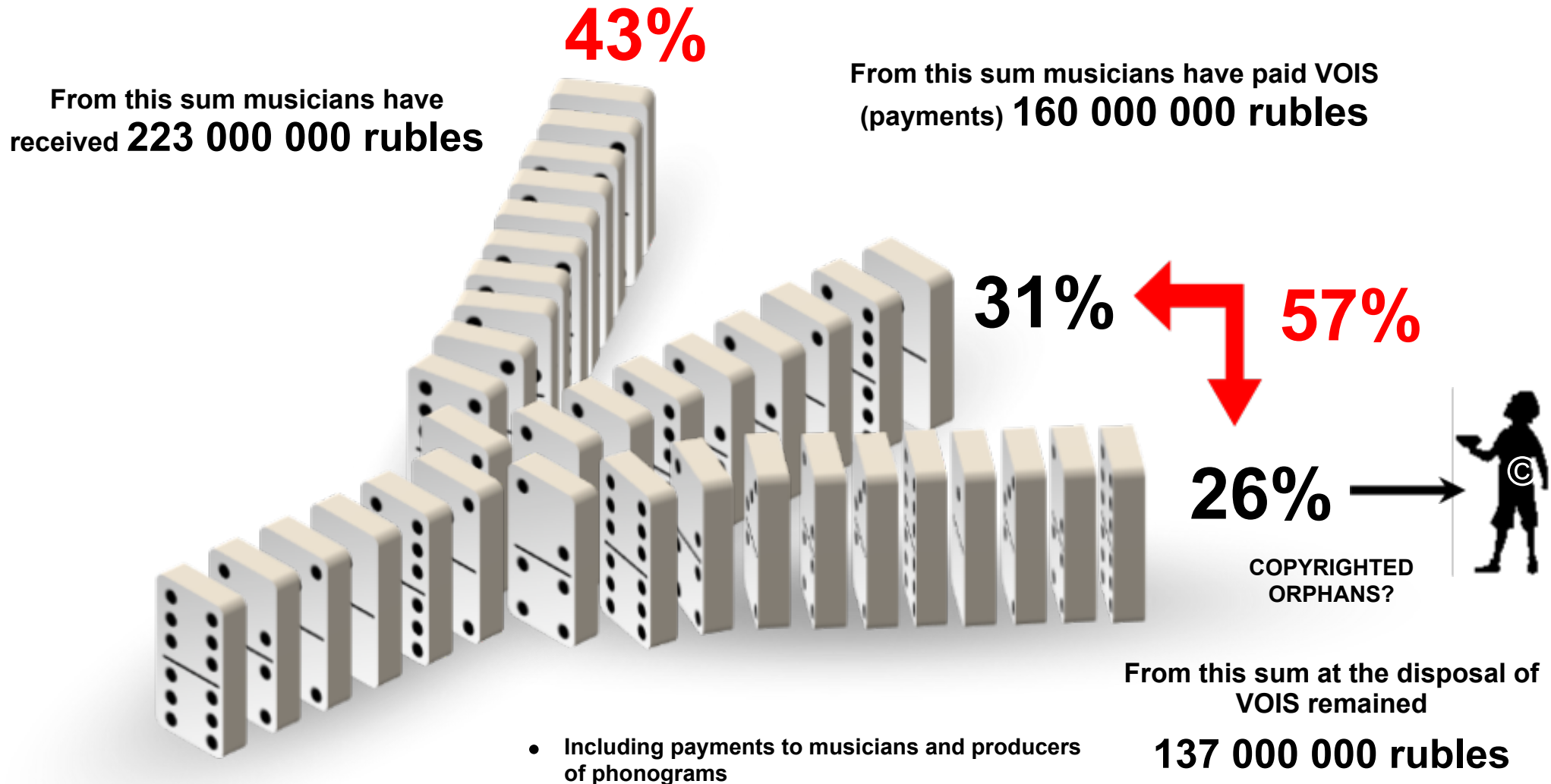
From this sum at the disposal of
RAO remained

385 953 000 rubles

- Including payments to authors, music publishing houses and other authors' societies

In **2009** musicians* from each collected ruble have received “in hands”
43 kopecks

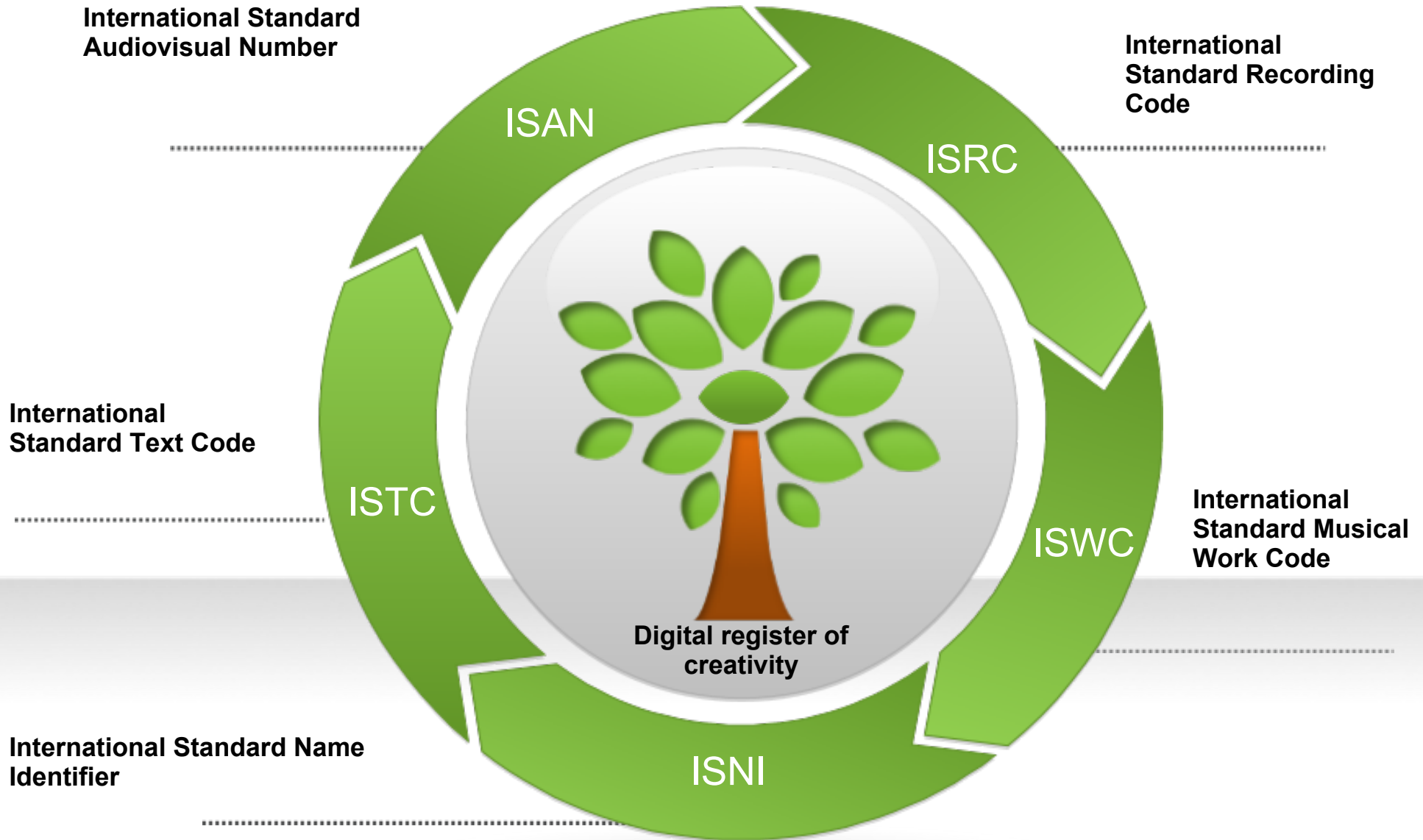
VOIS has accumulated on behalf of and for musicians
520 000 000 rubles (sum). **(100%)**





IDENTIFICATION OF CREATIVITY

Digital codes for system of voluntary registration and identification of various kinds of creative activity in info-communications networks



A global repertoire database – establishing the infrastructure for global licensing.



ISRC - International Standard Recording Code (ISO 3901:2001)



**The ISRC provides a means of uniquely identifying
sound recordings and music videos internationally**

How graphically looks ISRC?

For Russian phonograms:

ISRC RU-A15-06-00212

For Russian music videos:

ISRC RU-Z15-06-00212



ISWC – International Standard Musical Work Code (ISO/15707)



A unique identifier for all kinds of musical works

How ISWC looks graphically?

**The hit of “Beatles”
«ALL YOU NEED IS LOVE»
ISWC: T-010.433.964-1**

**The hit of “t.A.T.u.”
“PROSTYE DVIZHENIA”
ISWC: T-072.021.037-6**



International on-line database on all musical works (world musical repertoire)



<http://iswcnet.cisac.org/iswcnet/logon.do>



Easy and free of charge access to information on musical works (authors, music publishers, authors' societies etc.) by the use of ISWC



World map showing territories where ISWC is used



**GRAY COLOR ON MAP MEANS TERRITORIES AT THE PRESENT MOMENT “IGNORING” THIS STANDARD
FOR DIGITAL IDENTIFICATION OF MUSICAL WORKS
(INCLUDING RUSSIAN FEDERATION)**




ISAN – International Standard Audiovisual Number (ISO/15706)



A voluntary numbering system and metadata schema enabling the identification of any audiovisual work (films, shorts, documentaries, television programmes, sports events, advertising etc).

ISAN may be assigned not only to entire audiovisual work but also to separate episodes thereof (episodes may be used as video-tones).

ISAN to be used in International Documentation on Audiovisual works (IDA), a CISAC database, used by its AV society members to facilitate copyright information exchange



v2.9.2 Production

Original Work

Main title

Subtitle

Language

Country

IDA Reference

075 07 000570 1 (SUISSIMAGE)

Segmented Work

Season

Episode Ref

Director(s)

IMHOOF MARKUS

Keywords

Live | Colour | Feature film | Sound | Fiction

ISAN

0000-0000-129D 0000 M 0000-0000 8 (MATCH)

Production year

1980

Country

CH

Production Company

LIMBO FILM AG

Initial destination

Cinema

Duration

100 Mn 00 Sec

Participants (21)

Tech. Information

Titles (8)

Links (1)

Production

References (1)

Controls (0)

Log (3)

Comments

Distribution

100% by role

IPI NN	Last Name	First name	Category	Role	% Prim.	% Sec.
00145424390	IMHOOF	MARKUS	Direction	Film Director	0,00	100,00
00145424390	IMHOOF	MARKUS	Text	Screenplay author / Dialogue author	0,00	100,00
00258389911	GERBER VON BLARER	HELENA	Direction	Film Editor		
00145424390	IMHOOF	MARKUS	Direction	Film Editor		
	BRUNNER	KATHRIN	Direction	Production designer (Set-designer)		
00145424390	IMHOOF	MARKUS	Direction	Production designer (Set-designer)		
	STUBENRAUCH	MAX	Direction	Production designer (Set-designer)		

1

2

3

Add a participant

Example of useful function for users in International Documentation on Audiovisual works (IDA)

Display documentation in IDA
Display the audiovisual work

Click on the different "tags" to get detailed information

Click on the print icon to print: see illustration next page => ...

The right owners IP Name Number =>
Check in IPI to which society send the royalties

IDA
www.ida-net.org

www.cisac.org

CISAC

Just click on IPI of each creative person participated in creation of audiovisual work to know to which society send the royalties



- The purpose of the IPI system is the global unique identification of a right holder acting across multiple creation classes (musical work, literary work, work of art etc.), assuming different roles (musical creator, film director, author of fine art etc.), and owning all rights (performing right, reproduction right, radio broadcast right etc.), determined by each creation class he deals with.
- This is related to the data exchange not only within the copyright societies, but also in the world-wide transaction processing with third parties, such as user organisations like radio and TV stations, sound carrier producers etc.
- The IPI system contains the real and artistic names of the right holders, as well as their nationalities and place of birth (natural persons) or foundation (legal entities), including their territory, time and share dimensioned agreements with the corresponding copyright societies. Around 2,2 Mio right holders (IPs) are today included in the IPI system.



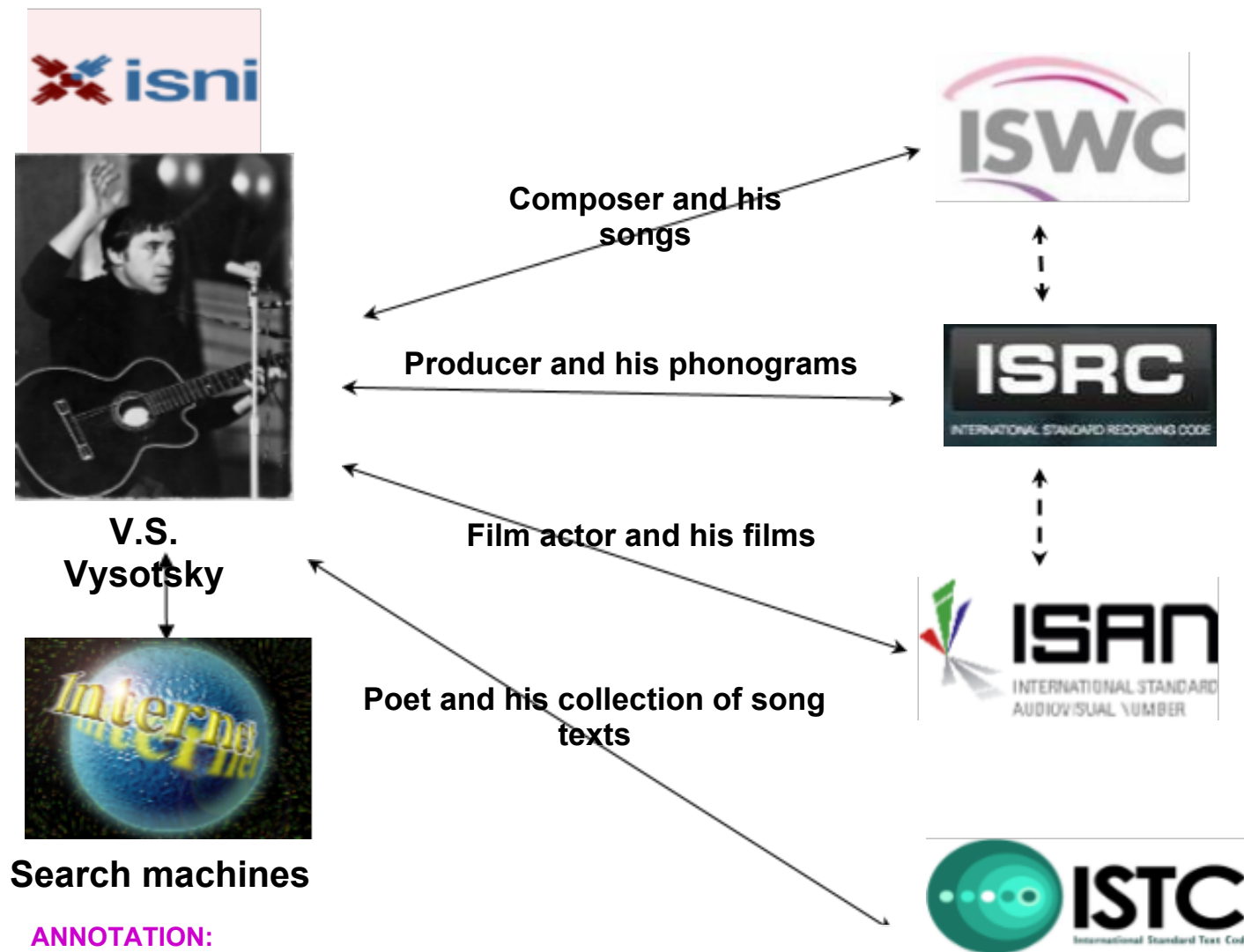
ISNI – International Standard Name Identifier (ISO/27729)



Global identification system for public identity of parties directly related to results of intellectual activity. Such party can be natural person, legal entity or fictional character.

Registration can be obtained by providing at least the following information:

- a) name or pseudonym of creative person, or name of legal entity (publisher, film company etc.) or name of fictional character (doctor House, Pinocchio);**
- b) date and place of birth and/or death for natural persons and date of registration or dissolution for legal entities;**
- c) class and roles as defined by the RA. Classes defines the repertoire (such as musical, audio-visual, literary) and roles can be author, performer, publisher;**
- d) title or reference to a creation;**
- e) URI (or URL) providing a link to more detailed information about the Public Identity (natural person, legal entity or fictional character).**



ANNOTATION:

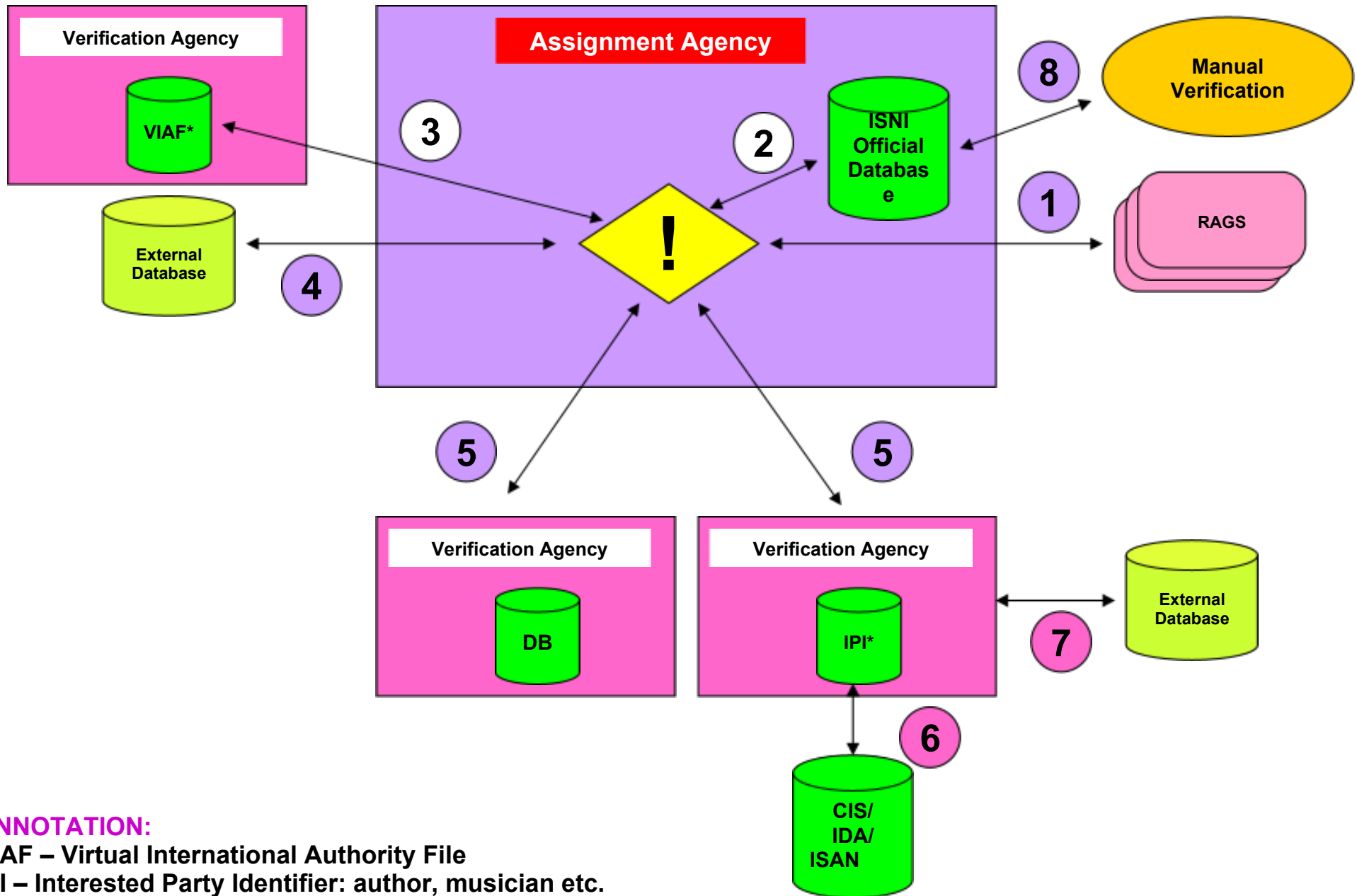
ISNI – International Standard Name Identifier

ISWC – International Standard Musical Work Code

ISRC – International Standard Recording Code

ISAN – International Standard Audiovisual Number

ISTC – International Standard Text Code



ANNOTATION:

VIAF – Virtual International Authority File

IPI – Interested Party Identifier: author, musician etc.

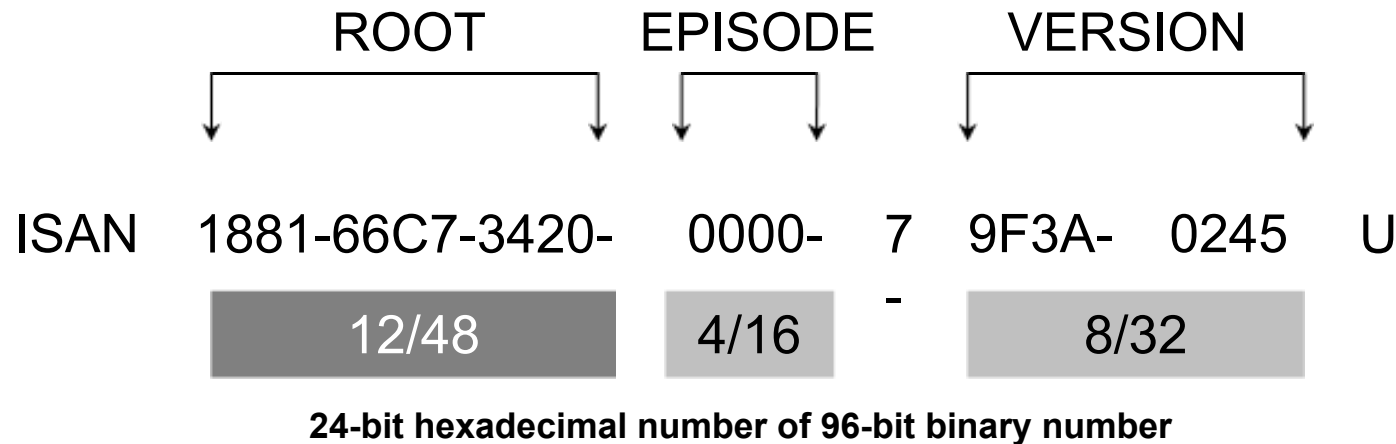
IDA – International Documentation on Audiovisual works

CIS – Common Information System

ISAN – International Standard Audiovisual Number

ISNI – International Standard Name Identifier

The ISAN, a 96-bit number is comprised of three segments:
a root, an episode or part, and a version.



A root is assigned to a core work. Segment “episode or part” identifies relevant episode or part of this work. At the same time, for the relation to core work, numerals of segment “root” must be identical to numerals of segment “root” of core work. If a core work does not have associated parts or episodes, then the episode segment is filled with zeros. Segment “version” identifies any changes both affecting the content of work (translation into other languages; editing for a specific purposes: duration, cultural reasons; subtitles) and in technical formats (HD, DVD, Blu-ray, downloading on Internet, broadcast, etc.).

ISAN 0000-0001-A175-0002-8-0000-0000-D

«Master» AV

Linguistic Versions



FR
French

IT
Italian

DE
German

ISAN 0000-0001-A175-0002-8-0000-0001-G

ISAN 0000-0001-A175-0002-8-0000-0002-3

ISAN 0000-0001-A175-0002-8-0000-0003-F

Optical Disc Versions



ISAN 0000-0001-A175-0002-8-0000-00A3-X



ISAN 0000-0001-A175-0002-8-0000-00D2-C



INTERNET

Apple iTunes (V.O.D.)



ISAN 0000-0001-A175-0002-8-0000-0010-9

Broadcaster Versions

ISAN 0000-0001-A175-0002-8-0000-0008-1



P2P networks:



ISAN 0000-0001-A175-0002-8-0000-00E1-A

ISAN 0000-0001-A175-0002-8-0000-0009-1



*AV – audiovisual work: film, telefilm, documentation, serials, animation, computer games etc.



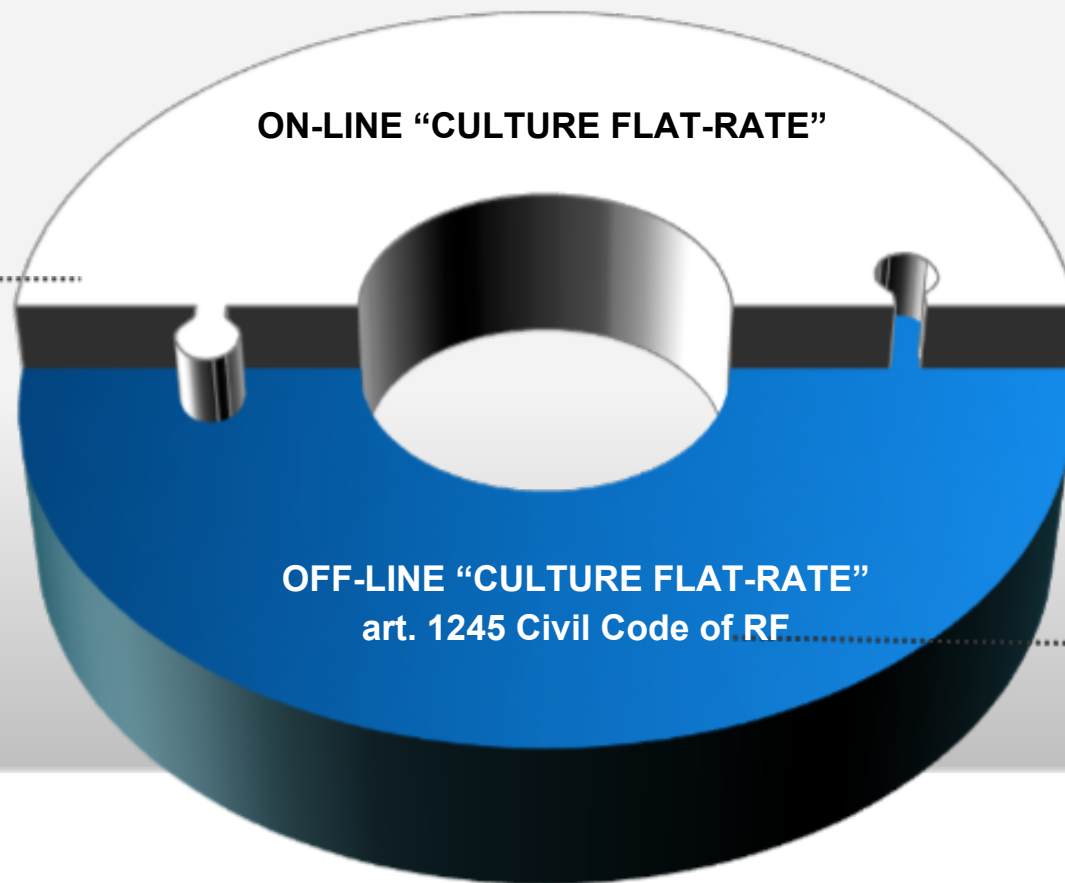
“CULTURE FLAT-RATE”

“CULTURE FLAT-RATE”
IN INFO-COMMUNICATION NETWORKS



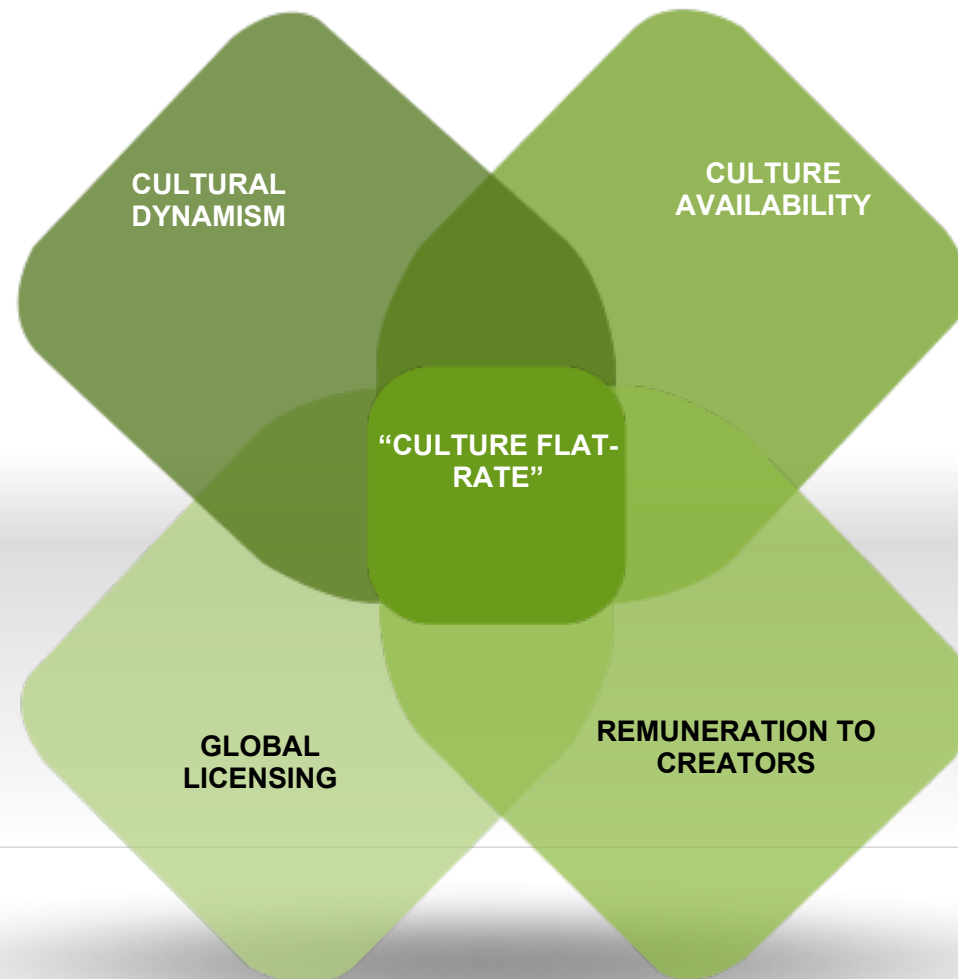
WHAT IMPEDES TO EXTEND LEGISLATIVE APPROACH TO LEGALISATION OF INFORMAL CONTENT MARKET TO INFO-COMMUNICATION NETWORKS?

The way to legalise
informal on-line
content market



The way to legalise
informal off-line
content market

**“CULTURE FLAT-RATE” DOES NOT AFFECT TECHNICAL POSSIBILITIES FOR
CREATIVE EXPRESSION AND BUSINESS MODELS BASED ON THESE
POSSIBILITIES**



LEGISLATIVE SOLUTIONS BASED ON OUT-DATED INFRASTRUCTURE OF COLLECTIVE MANAGEMENT

Project of Ministry of culture

“6. Illegal use of results of intellectual activity in Russian Internet segment.

It is obvious that copyright “clearance” in this field must be carried out by analogy with air and cable broadcasting that is by the agency of accredited organization.

But it is not provided by Russian Civil Code. In this situation it is necessary to extend authorities of accredited organization and allow it to conclude “extended” licence agreements in this field. Inclusion in the fields of business, which are subject of state accreditation, the field of Internet allows to solve a problem of “pirated” use of works in Internet stepwise.”

Project of Book publishers

“Article 1274.1. Reproduction of literary works in digital form

1. Reproduction of released literary works in digital form exercising by libraries for the purposes of temporary and free of charge use in accordance with item 2 of article 1274 of this code, is allowed without the prior author’s consent but for consideration.

2. Collection of consideration, provided by item 1 of this article, from users and its distribution are exercised by collective management organisation accredited by state for relevant purposes (article 1244).

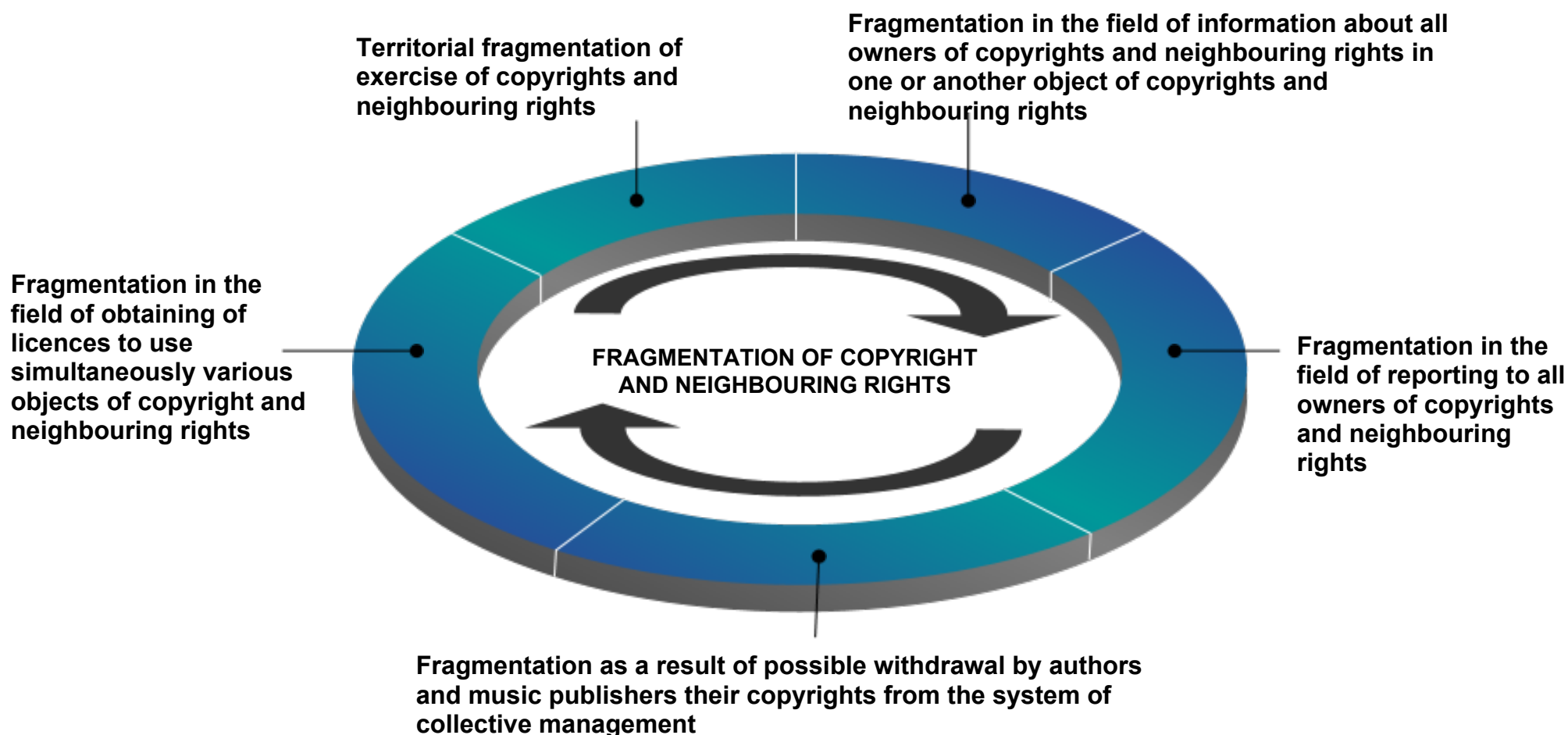
Rates, regulation of collection, distribution and payment of consideration are prescribed by Government of Russian Federation.”



WHY INFRASTRUCTURE OF THE WORLD OF COLLECTIVE MANAGEMENT IS OUT-DATED?

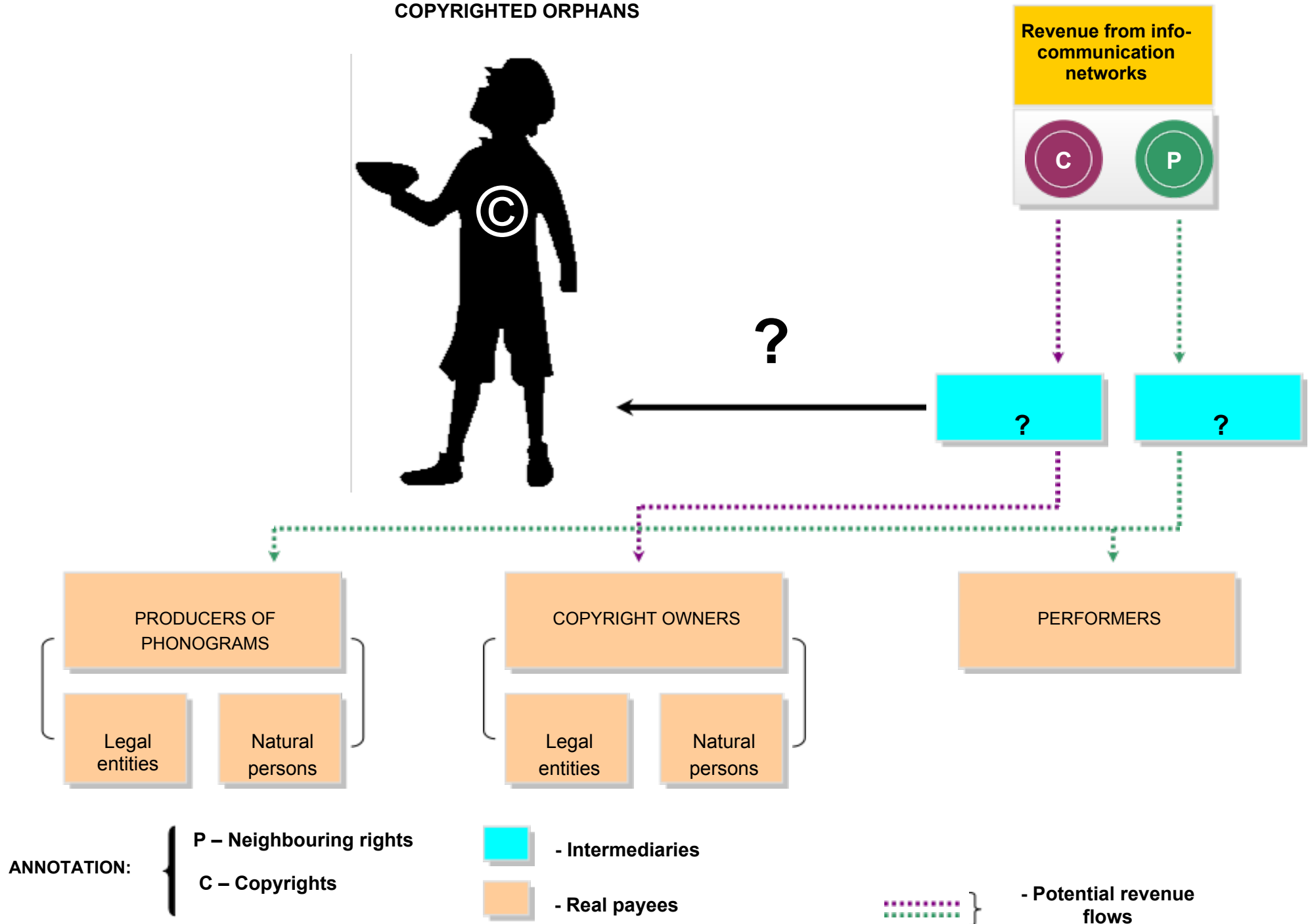
Fragmentation of copyrights and neighbouring rights in respect to digital environment

In a negative impact of fragmentation of literary and artistic property on digital business as such conventionally it is possible to define a few following matters:



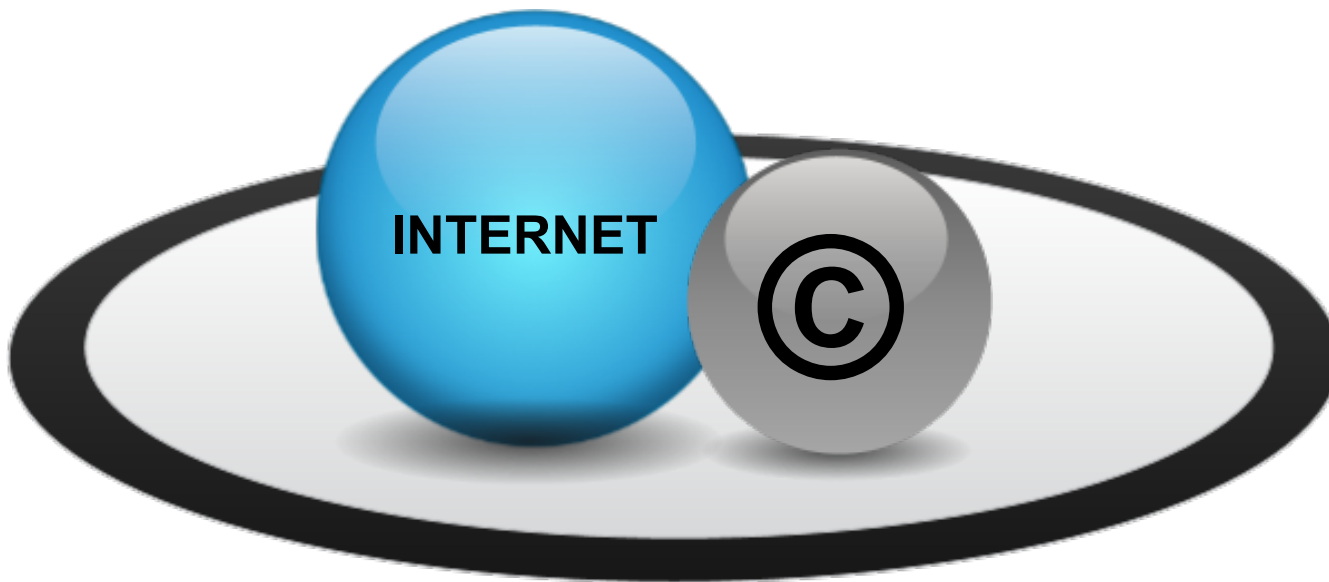
OUT-DATED INFRASTRUCTURE OF COLLECTIVE MANAGEMENT AND COPYRIGHTED ORPHANS

COPYRIGHTED ORPHANS

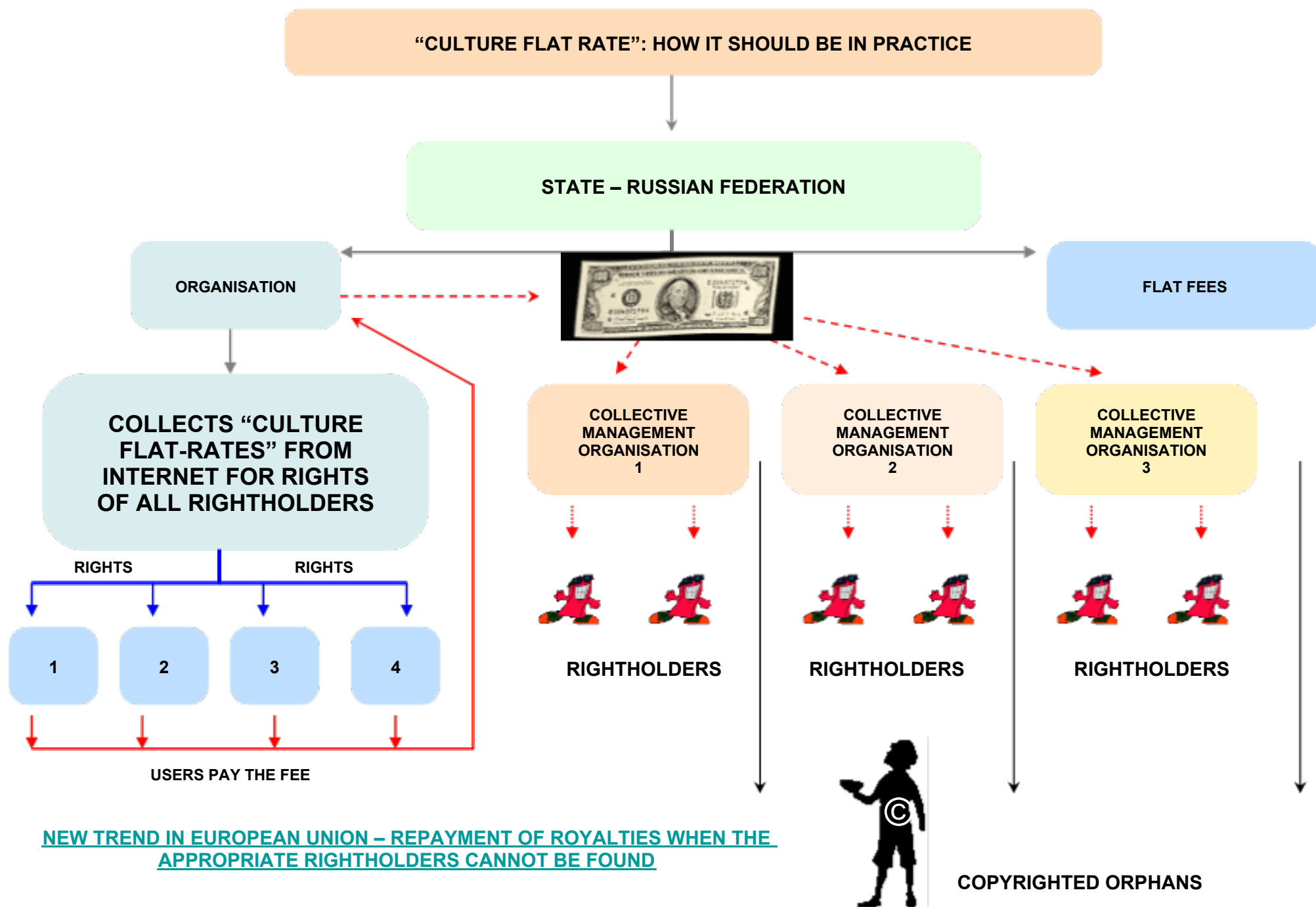


WHAT TO DO WITH INFORMAL CONTENT MARKET AND OUT-DATED INFRASTRUCTURE OF COLLECTIVE MANAGEMENT?

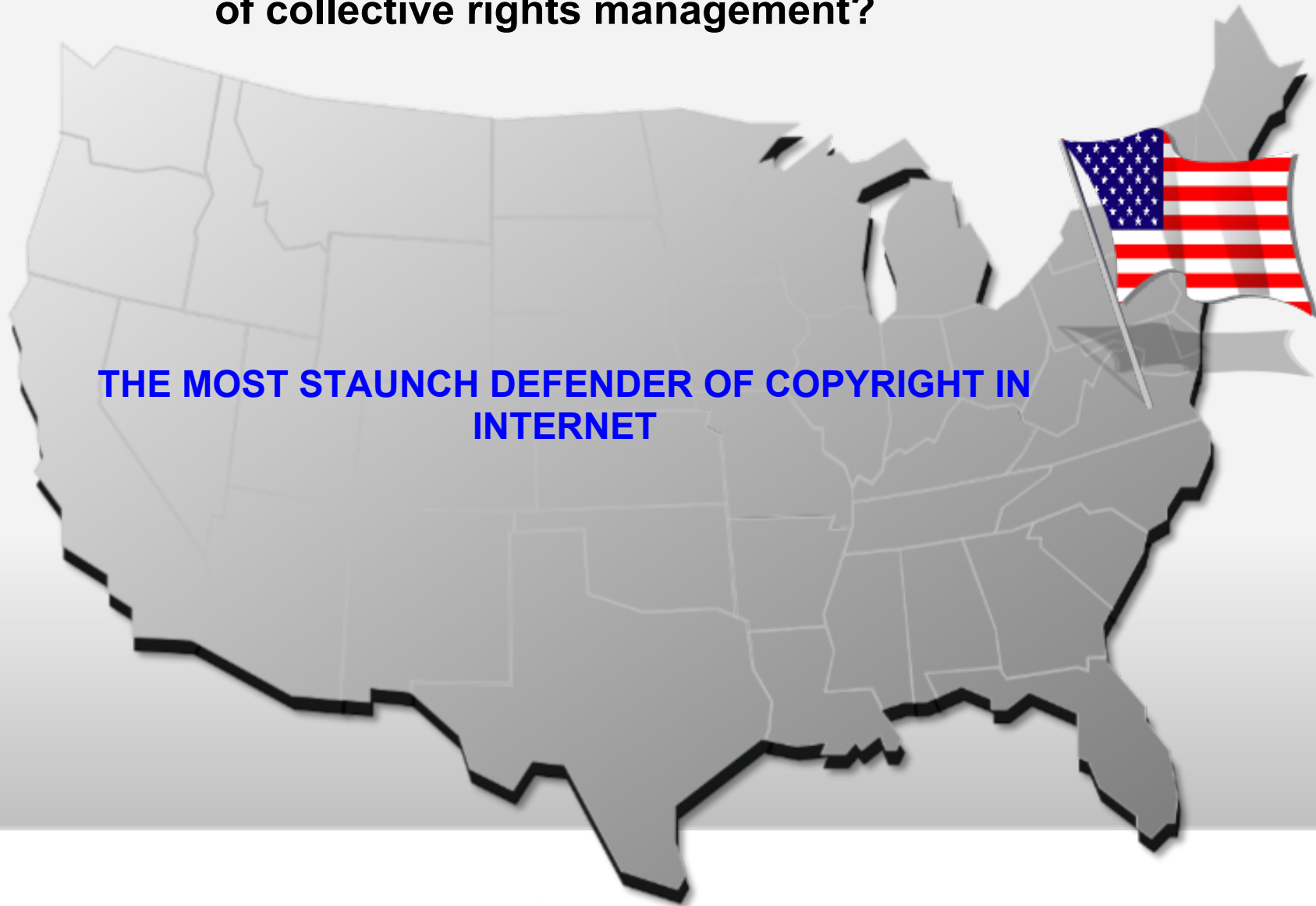
“...It is necessary to do so that future international treaties and our national legislation can defend most important positions relating to copyright in Internet environment....”



NEW INFRASTRUCTURE OF COLLECTIVE MANAGEMENT IN INFO-COMMUNICATION NETWORKS



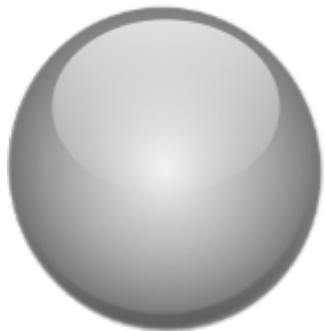
**Does anyone in the world already use similar infrastructure
of collective rights management?**



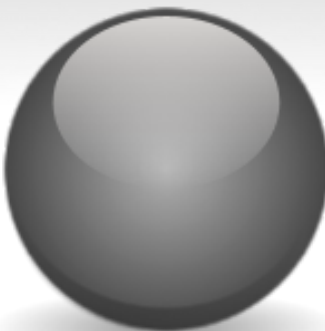
USA COPYRIGHT LEGISLATION



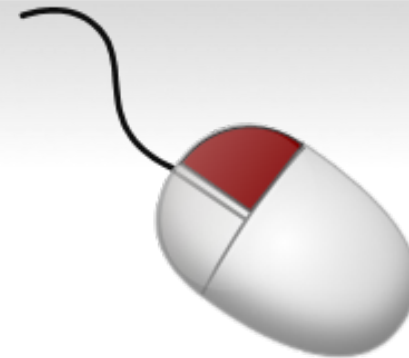
Aleksey Kondrin



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<http://www.kondrin.com>



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“Making available
right as provided
by Russian civil
law”**

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