



European Commission
Directorate-General for Information Society and Media
The Audiovisual and Media Policies Unit
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**RE: CALL FOR COMMENTS / COMMUNICATION ON THE CREATIVE CONTENT
ONLINE IN THE SINGLE MARKET [SEC (2007) 1710]**

The Finnish Music Publishers Association FMPA, founded in 1976, represents 37 Finnish publishing companies and all genres of music from serious and educational to popular music and rock.

Modern music publishing is quickly becoming more and more dependent on the versatile use of musical works on-line. Download, streaming, webcasting and simulcasting all belong to the area of normal licensing, but alongside with this core business music publishers are also active as licensors of music to be used in on-line advertising and as the owners of song lyrics and notated music available on-line. The association collaborated with its members and the local reprographic rights organisation Kopiosto in developing two new on-line services for music in graphic form. The most popular Finnish lyrics are available in a service called www.laulut.fi (in English www.songs.fi), and a wide range of Finnish choral music in many different languages will be found in the English-speaking service www.choralsongs.fi.

We welcome the Commission's Communication as a starting point to a more open discussion between all parties.

We have grouped our answers to target the three main categories of questions made by the Commission:

Digital Rights Management (questions 1 to 5)

We consider the interoperability of different DRM systems a target worth striving for, but a binding legislation is not without risks either. The analogue world has seen many formats, both simultaneous and consecutive, like LPs, C cassettes and CDs, each needing a device suitable for one format only. Thus we believe that the best result will be found in negotiations between the parties involved.

The information given to consumers on DRM could certainly be much better than it has been. For example, we should be able to tell the consumers that DRM is a synonym to Digital Rights Management, not to copy protection. The different download and streaming services based on advertising income always need a DRM, if we want to distribute the money to those right holders, whose music has been used.

Multi-territory rights licensing (questions 6 to 8)

The Recommendation by the Commission in October 2005 gave us the right guidelines for the cross-border on-line licensing of music. The market has needed – and still needs – time to make it work in practice, but it may be noted that a remarkable part of the musical repertoire used in Europe is today within the scope of such agreements:

- Universal Music Publishing has made a deal with the French SACEM on the licensing of their Anglo-American and French repertoire throughout the Europe.
- The licensing rights of the international catalogue of peermusic has been divided between the Spanish SGAE (Latin works) and the British MCPS-PRS Alliance (Anglo-American works).
- Warner/Chappell has made equal agreements with MCPS-PRS, the German GEMA and the Swedish STIM and is willing to make more agreements with other European societies as well.
- The agreement between EMI Music Publishing and the British-German CELAS exists since January 2006.

In order to make the licensing easier to the users the International Confederation of Music Publishers ICMP-CIEM has made a proposal to CISAC and BIEM on creating a Pan-European Portal (PEP). Through this portal all licence inquiries would be automatically forwarded to the licensor of each repertoire and for each territory. The licensor in question would be responsible for the conditions for the use of music and the tariffs.

PEP would be extremely valuable to right holders as well: it would contain the information about all licensees and their licensors. The authors and publishers would have a chance to make sure that a licence exists.

The right holders' right to choose the licensor and the way of licensing in the on-line world is as important as it has been in the traditional world of physical products. The models set forth in Commission's Recommendation combined with the PEP (as described above) guarantee both a rightful tariff and an easy way of getting the licence.

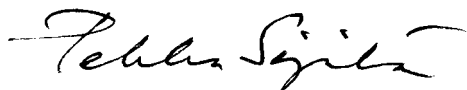
Legal offers and piracy (questions 9 to 11)

The seriously detrimental impact of the illicit P2P distribution on the music industry and creators is unquestionable even if there are different opinions on the size of it. In the long term, it does not benefit the service providers to let the content wither away.

The new French model of cooperation between right holders, ISPs and the government is a very encouraging example of the fact that in the end we all share common interests. However, it may not be necessary to build up a new administrative organisation. The common interests may also be found by using a lighter procedure. The most important thing is to get the parties around the round table, both on European level and locally.

Helsinki February 22, 2008

FINNISH MUSIC PUBLISHERS ASSOCIATION (FMPPA)

A handwritten signature in black ink, appearing to read 'Pekka Sipilä', with a stylized, flowing script.

Pekka Sipilä
Executive Director