

European Commission
DG Information Society and Media

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Comments on Questionnaire Public Consultation on Content online in the single market”

Comments from Dr. Christian Baierle:

1. a.) Yes we do. b.) We offer online: music publishing rights and music recording rights. c.) Normally no, with the exception of ringtones.
2. ---
3. Concerns: security of the network/ fears of a violation of protected content/ unreliable payment systems/ lack of interoperability between devices.
4. Yes. In Germany: data protection officer.
5. Interoperability will boost online sales.
6. The present recommendations prefer more the US repertoire, as they lead to a fortification of American companies
7. strengths: cultural diversity
weakness: hardware players (e. g. apple) coming from the US and elsewhere and try to dictate their rules for content online, not thinking of European content owners
8. We see DRM managed super distribution as a big opportunity (e. g. mobile networks)

ROBA MUSIC VERLAG GmbH
LIED DER ZEIT MUSIKVERLAG GmbH
EUROPEAN PUBLISHING COMPANY GmbH
FINGER MUSIC VERLAG GmbH
PRIBA SONGS MUSIKVERLAG GmbH
RALLYE MUSIKVERLAG
RACING MUSIKVERLAG
BAIERLE RECORDS

Dresdner Bank AG (BLZ 200 800 00) Kto. 501002000
Postbank AG (BLZ 200 100 20) Kto. 319190 - 205
Geschäftsführer: Rolf Baierle, Hildegard Baierle
Sitz: Hamburg HR B 23838 Amtsgericht Hamburg
Ust-IdNr.: DE 118514585, Steuer-Nr.: 57/875/03634

9. Digital music sales will double each year
10. Interoperability
11. Online and mobile companies resist to pay adequate fees to authors and music publishers – few legal possibilities to prosecute and no DRM standard to check revenues
12. Mainly credit cards, some use Telekom invoices
13. a.) music publishing rights: we get a small percentage of the retail price minus VAT.-
-- pay more to the authors who are the starting point for creative value b.) concerning music master rights: flexible pricing schemes would be the best solution as not all music has the same quality
14. a.) Yes, of course. b.) The Santiago Agreement concerning music publishing rights was not that bad. It is also reasonable for e. g. apple to do contracts with approx. 14 collecting societies when they have shown that they are able to license master rights on a world wide basis from thousands of content owners. c.) To establish a reporting system, that reports sales to content owners.
15. Music publishing companies are able to license and they did so. In Germany nobody has any problems to license.
16. Creativity will only prosper if there is sufficient remuneration of right holders. Right now it is so low that many authors and their music publishers are thinking about changing their job. A global license would be an unfair compensation that does not take to account cultural diversity and different qualities of music.
17. VAT is different in each European country. Even in Germany there is an unfair difference between books which are treated as cultural goods (8% VAT) and music which absurdly not treated as cultural goods.
18. The German state leaves it up to business owners.
19. Not appropriate for music business.
20. As long as there is access for everyone to basic networks, I think one should leave it to the market to develop other services.
21. a.) Music suffers a lot of piracy: real threat for the music industry that has destroyed a lot of jobs and the means of existence of a lot of authors and right holders. b.) Law suits/class action suits which were highly successful to deter from piracy. c.) Yes, is equally damaging. d.) No, because most of the users are small pirates. That would be a “complimentary ticket” for music pirates.
22. a.) Minimal output of awareness rising in Germany. Legal suits/class action suits are and were the better vehicle. b.) Proposal: to put creative industries and piracy on the course of instruction of pupils.
23. a.) Super DRM managed super distribution. b.) Be aware that only DRM allows to set up new business models.

24. In Germany the so called "Prüfstelle" rates music, compared to the US e. g. Parental Advisory does not play a role.
25. a.) We make it mandatory through our contracts with our licensees. b.) + c.) DRM enables new business models and monitoring income for content creators.
26. a.) Yes, there are some on the market e. g. WMA, apple etc. but they are not interoperable.
27. a.) Legal operators use it widely b.) For creators it would be helpful if they report any downloads/income. c.) Not really as they are not interoperable.
28. Copy protections are fought against by the hardware industry as their interest is to increase their sales.
29. DRM are the basis for new business models.
30. Only for territorial uses - with music that is not longer copyright controlled.
31. Creating convergence devices but respecting the value of music as it is the basis for selling their products.
32. Broadband development and legal frame work.
33. - address interoperability
 - foster new business models by supporting DRM
 - support legal frame works to hinder privacy
 - support authors and music publishers who are the "first layer" of music content creation by supporting and monitoring adequate remuneration
 - We think the "Santiago Agreement" fosters competition between the collecting societies, but be aware of their value for cultural diversity
 - foster curricula for pupils that stresses the importance of the creative industries
 - to defend European understanding of copy right law against the threat from the Far East

Kind regards,
Yours sincerely

Dr. Christian Baierle